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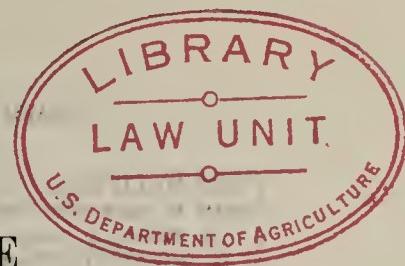
# TRAVEL EXPENSES OF GOVERNMENT EMPLOYEES

HEARINGS  
BEFORE A  
SUBCOMMITTEE OF THE  
COMMITTEE ON  
GOVERNMENT OPERATIONS  
HOUSE OF REPRESENTATIVES  
EIGHTY-SEVENTH CONGRESS  
FIRST SESSION  
ON  
**H.R. 3279**

A BILL TO INCREASE THE MAXIMUM RATES OF PER DIEM ALLOWANCE FOR EMPLOYEES OF THE GOVERNMENT TRAVELING ON OFFICIAL BUSINESS, AND FOR OTHER PURPOSES

APRIL 20, 1961

Printed for the use of the Committee on Government Operations



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## C O N T E N T S

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	Page
H.R. 3279, 87th Congress, 1st session-----	1
Statement of—	
Brady, John G., legislation chairman, National Association of Internal Revenue Employees-----	41
Friend, C. P., Office of the General Counsel, General Accounting Office-----	29
Granahan, Hon. Kathryn E., a Representative in Congress from the State of Pennsylvania-----	3
Gibson, Everett G., legislative director, National Federation of Post Office Motor Vehicle Employees, American Federation of Labor and Congress of Industrial Organizations-----	43
Hull, Dayton W., Chief, Allowances Division, Department of State-----	22
James, Lawrence, Air Force, civil service employee-----	46
Johnson, Edward T., Associate Director, Defense Accounting and Auditing Division, General Accounting Office-----	30
Langan, James K., operations director, Government Employees' Council, American Federation of Labor and Congress of Industrial Organizations-----	39
McCart, John, representing the American Federation of Government Employees-----	33
Mullins, George, Assistant Chief, Office of Organization and Management, Bureau of the Budget-----	5
O'Connor, John F., legislative director, United Federation of Post Office Clerks-----	38
Simmons, Herschel J., Chief, Budget and Finance Branch, Office of Administrative Services, General Accounting Office-----	32
Letters, statements, etc., submitted for the record by—	
Boykin, Hon. Frank W., a Representative in Congress from the State of Alabama: Letter from Hon. Frank W. Boykin, to Hon. William L. Dawson, April 20, 1961-----	47
Letter from John L. Moore, Mobile, Ala., to Hon. Frank W. Boykin, April 12, 1961-----	47
Brady, John G., legislation chairman, National Association of Internal Revenue Employees: Excerpt from report of a special agent detailed to Chicago, Ill., re travel expenses and reimbursement-----	42
Henderson, Elmer W., counsel, Executive and Legislative Reorganization Subcommittee:	
Letter from Edward G. Batty, National Society of Federal Engineers, Scientists and Allied Professionals, Washington, D.C., to Hon. William L. Dawson, April 12, 1961-----	44
Letter from Kenneth P. Folsom, recording secretary, Policemen's Association of the District of Columbia, to Hon. William L. Dawson, March 9, 1961-----	44
Statement of Alfred F. Beiter, national president, National Customs Service Association-----	44
Statement of Ross A. Messer, legislative representative, National Association of Post Office and General Services Maintenance Employees-----	45
Statement of Vaux Owen, president, National Federation of Federal Employees-----	46
Hull, Dayton W., Chief, Allowances Division, Department of State: Letter from Hon. Brooks Hays, Assistant Secretary of State, to Hon. William L. Dawson, April 12, 1961-----	23
Proposed amendments to H.R. 3279 proposed by the Department of State-----	22
Explanation of amendments to H.R. 3279 proposed by the Department of State-----	24

Letters, statements, etc., submitted—Continued		
Jaspan, Daniel, legislative representative of the National Association of Postal Supervisors: Statement	-----	48
McCart, John, representing the American Federation of Government Employees:		
Excerpt from Government Travel Regulations	-----	34
Statement re per diem rate	-----	34
Tabulation showing percentage increase of automobile costs, prepared by Runzhamer & Co., Chicago, Ill	-----	35
Mullins, George, Assistant Chief, Office of Organization and Manage- ment, Bureau of the Budget:		
Report from Phillip S. Hughes, Assistant Director for Legislative Reference, Bureau of the Budget, to Hon. William L. Dawson, April 10, 1961	-----	6
Proposals by the Department of State and the Bureau of the Budget	-----	8
Table —. Fixed and variable costs of privately owned motor vehicles	-----	13

# INCREASING THE MAXIMUM RATES OF PER DIEM ALLOWANCE FOR EMPLOYEES OF THE GOVERNMENT TRAVELING ON OFFICIAL BUSINESS, AND FOR OTHER PURPOSES

(H.R. 3279)

THURSDAY, APRIL 20, 1961

HOUSE OF REPRESENTATIVES,  
EXECUTIVE AND LEGISLATIVE REORGANIZATION  
SUBCOMMITTEE OF THE COMMITTEE  
ON GOVERNMENT OPERATIONS,  
*Washington, D.C.*

The subcommittee met, pursuant to notice, at 10 a.m., in room 1501, New House Office Building, Hon. William L. Dawson (chairman of the subcommittee) presiding.

Present: Representatives William L. Dawson (chairman), Dante B. Fascell, Kathryn E. Granahan, and John B. Anderson.

Staff members present: Elmer W. Henderson, counsel; James A. Lanigan, counsel; Arthur Perlman, investigator; Dolores Fel Dotto, clerk; Orville J. Montgomery, associate counsel; and J. Philip Carlson, minority staff.

(H.R. 3279 as reported on May 2, 1961, follows:)

[H.R. 3279, 87th Cong., 1st sess.]

A BILL To increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Travel Expense Act of 1949 (5 U.S.C. 836) is amended by striking out "\$12" and inserting in lieu thereof "\$16" [ ], and by striking out "\$25" and inserting in lieu thereof "\$30" [ ].*

SEC. 2. Section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b-2) is amended by striking out "\$15" and inserting in lieu thereof "\$16" [ ], and by striking out "\$25" and inserting in lieu thereof "\$30" [ ].

SEC. 3. Section 4 of the Travel Expense Act of 1949 (5 U.S.C. 837) is amended by striking out "6 cents" and inserting in lieu thereof "8 cents", and by striking out "10 cents" and inserting in lieu thereof "12 cents".

SEC. 4. The second sentence of section 4 of the Travel Expense Act of 1949 (5 U.S.C. 837) is amended by inserting immediately after "the actual cost of" the following: "parking fees."

See. 5. (a) Section 3 of the Travel Expense Act of 1949, as amended (5 U.S.C. 836), is amended—

(1) by striking out the words "by the Director of the Bureau of the Budget" which appear before the first proviso and inserting in lieu thereof "by the President or his delegate (who may be the Director of the Bureau of the Budget or any other officer of the Government)" and

(2) by striking out the last proviso and inserting in lieu thereof the following proviso: "And provided further, That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7, prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of \$30, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits".

(b) Section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2), is amended—

(1) by striking out the words "by the Director of the Bureau of the Budget" which appear before the proviso; and

(2) by striking out the last proviso and inserting in lieu thereof the following proviso: "Provided, That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7 of the Travel Expense Act of 1949, as amended (5 U.S.C. 840), prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of \$30, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits".

(c) Section 48 of the Alaska Omnibus Act (73 Stat. 141; 48 U.S.C. note prec. sec. 23) shall not apply with respect to the amendments made by this section.

Sec. 6. The last proviso of section 3 of the Act of July 30, 1946 (22 U.S.C. 2870), is amended to read as follows: "Provided, however, That he may be paid transportation and other expenses as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2)".

See. 7. Section 5 of the Act of July 30, 1946, as amended (22 U.S.C. 287q), is amended by striking out "Under such regulations as the Secretary of State may prescribe, the actual transportation expenses of experts attending such conferences shall be borne by the Department of State, and they shall be allowed a per diem of \$10 in lieu of subsistence and other expenses, for the period of actual attendance and of necessary travel." and inserting in lieu thereof the following: "The Department of State may pay their transportation and other expenses as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2), for the period of actual attendance and of necessary travel.".

See. 8. Paragraph (6) of section 801 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1471(6)) is amended by striking out "but he may be paid his actual transportation expenses, and not to exceed \$10 per diem in lieu of subsistence and other expenses, while away from his home in attendance upon meetings within the United States or in consultation with the Department under instructions." and inserting in lieu thereof the following: "but he may be paid his transportation and other expenses, as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2)".

**Chairman DAWSON.** This meeting of the subcommittee is to hold a hearing on H.R. 3279, a bill introduced by our colleague, Congresswoman Kathryn E. Granahan, to increase the maximum per diem allowances and other travel costs for employees of the Government traveling on official business. The bill will increase the maximum per diem allowances from \$12 to \$16 per day; increase the mileage allowances for motorcycles from 6 to 8 cents per mile; and for automobiles from 10 to 12 cents per mile. The bill will also authorize the reimbursement of parking fees to Government employees incurred while using their cars for official business.

The Travel Expenses Act of 1949 was reported by this committee. It was amended by us to increase the maximum rates in 1955. No changes in the rates set in that year have taken place since then. The committee reported a bill in the 86th Congress which was passed by the House that would have increased the per diem from \$12 to \$15 per day; the mileage from 6 to 8 cents for motorcycles; and 10 to 12 cents for automobiles, among other changes. Amendments were made in the Senate, especially one deleting any increase in the mileage allowances, but a conference was not held and the bill failed to become law.

The Travel Expenses Act is administered by the Bureau of the Budget which is the agency primarily concerned with this legislation. The Bureau of the Budget has submitted a detailed report and has suggested certain changes and additions. The General Accounting Office has also reported on the bill. Representatives of the Bureau of the Budget, the General Accounting Office, and the State Department are here today to testify. Copies of their reports are contained in your folders. Representatives of employee organizations are also present and will testify.

Our first witness will be Mrs. Kathryn E. Granahan, the author of the bill.

#### **STATEMENT OF HON. KATHRYN E. GRANAHAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA**

Mrs. GRANAHAN. Mr. Chairman and members of the subcommittee, I submit for your consideration H.R. 3279, introduced by me, which would increase the maximum rates of per diem allowance and certain other travel expenses for civilian employees of the Government traveling on official business.

Specifically, my bill would amend the Travel Expenses Act in the following respects:

(a) Increase the maximum per diem allowance from its present rate of \$12 per day to \$16 per day;

(b) Increase to \$30 from its present \$25 the maximum allowance for official travelers authorized to be paid on an actual expense basis;

(c) Increase to \$16 the maximum per diem for persons serving the Government without compensation, known as w.o.c.

(d) Increase to 8 cents per mile the present 6-cent allowance for the use of motorcycles;

(e) Increase to 12 cents per mile the present 10-cent allowance for the use of privately owned automobiles on official business;

(f) Authorize the payment to employees of parking fees incurred while using privately owned vehicles for official purposes.

In my judgment these increases and authorizations are required by present-day travel costs which have risen greatly since this committee approved legislation setting the current maximum rates in 1955. In fact, there seems to be almost general consensus that increases are necessary, only the amount has been in dispute.

In the 86th Congress, I introduced H.R. 5196 which was reported favorably by this committee and passed both the House and Senate in amended form. Due to the final rush of business the differences between the House and Senate were not resolved and the bill did not

become law. I hope that this bill will avoid that fate in the 87th Congress because many employees whose travel expenses exceed the current maximum are forced to pay these legitimate costs of Government out of their own pockets. This is both unnecessary and unfair.

In the last Congress, the House agreed to increase the per diem from \$12 to \$15 per day, motorcycles from 6 to 8 cents per mile, autos from 10 to 12 cents per mile and to authorize payment of parking fees. The Bureau of the Budget opposed any increase in the mileage rate for motorcycles and autos and these increases were deleted from the bill in the Senate. The Senate added some amendments proposed by the State Department. Because of the time factor, no reconciliation of views was accomplished.

I propose now that the per diem be increased to \$16 per day. I felt in the last Congress that the estimates of subsistence costs, that is hotel and food mainly, made by the Bureau of the Budget were too conservative and that a higher rate was justified. After all, Mr. Chairman, the legislation only provides for a maximum rate which may be adjusted downward by the Bureau of the Budget, the departments and agencies to fit any case or group of cases. It may be true that the majority of cases fall below \$15. But should we place the ceiling at \$15 if there are a goodly number of cases that will exceed it? My proposal for \$16 is based on the representations made to me by Government employee representatives that this is a reasonable figure for the per diem allowance. Some of these will testify today. They say that official travelers to high cost areas should not be penalized because they may be in the minority of all travelers.

I realize that the data we use to make the estimates is by no means perfect. But this was also admitted by the Bureau of the Budget for its own data. Shouldn't we be on the safe side, and I believe, the side of equity for our Federal employees? I think we should. I repeat, the \$16 is only a maximum and there is no reason why there should be any abuses that merely setting the lower figure will prevent.

The same argument holds for the mileage rates for cars and motorcycles. The Bureau contended in the last Congress that no increase was necessary even though the 10 and 6 cents per mile were set in 1955. I know of no one, Mr. Chairman, who drives a car who does not say there has been an increase in driving costs in the past 6 years. Gas is up, oil is up, insurance is up, taxes are up, servicing is up, tires have increased, parts are up. There may be a dispute about the extent of the rise but not about the fact of the rise. Again I say, the mileage figures I propose are only maximum rates. The departments can set any rate under the ceiling their circumstances suggest.

My proposal to increase the maximum to \$30 per day for actual expenses when properly authorized instead of per diem is based on the possibility of special situations arising where the Government's interest requires the expenditure of unusual amounts for subsistence. These may not occur often but a realistic ceiling should be set for such cases as long as the authority for actual expenses exists.

The payment of parking fees is a proper expenditure and was proposed by the Bureau of the Budget itself. It is frequently impossible to get within walking distance of the location of Government business from a free parking space. Parking fees are as necessary today as gasoline.

The per diem for those who serve without compensation merely brings them into line with regular Government employees.

I understand the Bureau of the Budget generally holds to its position of 2 years ago. Its representatives are here and will testify on this. Nevertheless, I am convinced that my bill is fair and reasonable and in the best interest of the Federal Government and its employees.

I hope you will favorably report H.R. 3279 and urge its passage by the House.

Chairman DAWSON. Mr. Fascell?

Mr. FASCELL. No questions.

Chairman DAWSON. Mr. Anderson?

Mr. ANDERSON. I have just one question, Mr. Chairman.

Mrs. Granahan, you emphasized this is a maximum rate that the departments can, by administrative regulation, I presume, establish a lower rate than the rate that you would establish by H.R. 3279. Is that correct?

Mrs. GRANAHAN. That is correct.

Mr. ANDERSON. That is the actual experience in that regard under the present law of the per diem allowances. Are there any departments that have established a lower figure, as a matter of fact?

Mrs. GRANAHAN. Not to my knowledge.

Mr. ANDERSON. They all employ the maximum, is that correct? They do establish that?

Mrs. GRANAHAN. May I have your question again?

Mr. ANDERSON. I was just wondering, under our present per diem rate, whether any agencies of the Government use a lower figure than the maximum that is provided for by law, which is now, I understand, \$12.

Mrs. GRANAHAN. Yes.

Mr. ANDERSON. Which ones are they? Which departments?

Mr. HENDERSON. The Bureau of the Budget is represented here. They have all of those figures, and will testify.

Mr. ANDERSON. I see.

Chairman DAWSON. Any other questions?

(None.)

Chairman DAWSON. Thank you, Mrs. Granahan.

Our next witness will be Mr. George Mullins of the Bureau of the Budget, and those with him can sit around the table.

Mr. MULLINS. Would you like to have me come closer?

Chairman DAWSON. You and your associates, and any others who differ with him may come up.

#### STATEMENT OF GEORGE MULLINS, ASSISTANT CHIEF, OFFICE OF ORGANIZATION AND MANAGEMENT, BUREAU OF THE BUDGET

Mr. MULLINS. Mr. Chairman——

Chairman DAWSON. Mr. Mullins.

Mr. MULLINS. I do not have a prepared statement. I am authorized to rely upon the report which I understand has been distributed to all of the members.

(The Bureau of the Budget report referred to follows:)

EXECUTIVE OFFICE OF THE PRESIDENT,  
BUREAU OF THE BUDGET,  
Washington, D.C., April 10, 1961.

Hon. WILLIAM L. DAWSON,

*Chairman, Committee on Government Operations, House of Representatives,  
Washington, D.C.*

MY DEAR MR. CHAIRMAN: This is in response to your request for a report on H.R. 3279, a bill "To increase the maximum rates of per diem allowance for employees of the Government traveling on official business and for other purposes."

The bill would (1) increase to \$16 the maximum rate of per diem allowed for civilian employees traveling on official business, (2) increase to \$30 per day the maximum allowance for official travelers authorized to be reimbursed on an actual subsistence expenses basis, (3) increase to \$16 the maximum per diem allowance for persons serving without compensation, (4) increase to 8 cents per mile the allowance for use of privately owned motorcycles on official Government business, (5) increase to 12 cents per mile the rate for use of privately owned automobiles on official business, and (6) authorize payment to employees for parking fees incurred while using privately owned vehicles for official purposes.

The present maximum per diem of \$12 has been inadequate for several years. In 1954, when the maximum rate was \$9, the Bureau of the Budget made an analysis of travel subsistence expenses and found that costs under ordinary conditions were about \$13 per day. We recommended to the Congress that the rate be increased to \$13. Our recommendation was accepted by your committee and the legislation was passed by the House but the rate was reduced in the Senate to the present maximum of \$12 in order to conform with the rate authorized for uniformed personnel covered by the Career Compensation Act.

In the fall of 1958, we conducted another study of subsistence costs which included detailed reports from 18 principal Federal agencies, supported by a nationwide sampling of costs by the Bureau of the Census and reports from accounting firms specializing in business analyses for hotel organizations. The study indicated that average costs had increased to about \$14.30 per day and we recommended that the maximum be increased to \$14 with the understanding that travelers incurring unusually high costs might be reimbursed for actual expenses up to \$25 per day as currently authorized. Subsequently, your committee reported favorably on H.R. 5196, a bill which, as amended by your committee, provided for a maximum rate of \$15. That bill passed the House in September 1959 and was acted upon by the Senate during the spring of 1960. At that time, we conducted a follow-up study of subsistence expenses which indicated that costs had increased to about \$14.71 per day. We then supported the \$15 rate provided in the bill although we had previously recommended \$14. As passed by the Senate in June 1960, shortly before Congress recessed, the bill included the \$15 rate but also included amendments requiring further consideration in the House.

During the fall of 1960, we conducted another survey of travel subsistence expenses which indicated costs of about \$15.13 per day. We believe the latest study supports a rate of \$15 per day. We recommend that section 1 of H.R. 3279 be amended to provide for a \$15 rate instead of \$16.

We believe no increase is needed in the presently authorized ceiling of \$25 per day for reimbursement of subsistence expenses on an actual expense basis as provided under section 3 of the Travel Expense Act and section 5 of the Administrative Expenses Act. Our studies have indicated that \$25 per day is an adequate ceiling to cover subsistence expenses for which the Government should reimburse travelers in the unusual circumstances for which payment on an actual expense basis is authorized. Therefore, we recommend that sections 1 and 2 of H.R. 3279 be amended by deleting the following words at the end of each section: "and by striking '\$25' and inserting in lieu thereof '\$30.'"

In 1955 when per diem rates were last adjusted, the Bureau of the Budget supported the proposition that persons serving the Government without compensation or at \$1 per year should be accorded a higher maximum per diem allowance than regular officers and employees. Such a differential exists at present since the statute authorizes a \$12 rate for regular officers and employees whereas persons serving without compensation or at \$1 per year may receive

up to \$15 per day. The need for continuing that policy appears questionable, however, since for normal travel situations the subsistence expenses of persons serving without compensation should be about the same as incurred by regular employees. In unusual cases, however, such persons can be reimbursed on an actual expense basis up to \$25 per day, under existing authority contained in section 5 of the Administrative Expenses Act. Therefore, we recommend that section 2 of H.R. 3279 be deleted.

We are unable to provide cost information to support any increase in mileage rate allowances for privately owned motor vehicles. On the contrary, the facts available to us indicate that the present rate of 10 cents per mile for automobiles is not only adequate but is higher than similar types of allowances paid by most private businesses. The trend for such allowances has been upward in recent years, but the last report by a private consulting firm which makes annual surveys of compensation for motor vehicle operation in private industries indicates that more than three-fourths of the private industries paying on a mileage basis are allowing 8 cents per mile or less for automobiles, that 90 percent are allowing 9 cents or less and that only one-half of 1 percent are allowing more than 10 cents.

We are aware of guidelines published by the American Automobile Association based on analyses by a private accounting firm which indicate that an automobile traveling 10,000 miles during the first year of ownership by a private individual may cost almost 12 cents per mile to operate if insurance, licenses, registration fees, and first year depreciation are considered as well as operating expenses. However, we believe that the Government should not be subjected to automobile usage costs based on an assumption that every private automobile used for official purposes is less than 1 year old. In fact, many persons who use their automobiles for official purposes keep their vehicles longer than 1 year and their fixed costs are distributed to more than 10,000 miles per year of usage. It is true that the cost of gasoline, tires, oil, insurance, etc., is higher than in 1955 when the current 10-cent mileage rate was established. However, we believe the rate is adequate for the present since in 1955 it was somewhat liberal. The published standard for replacement of a Government-owned automobile is 6 years or 60,000 miles, whichever is attained first. On that replacement basis, total variable and fixed costs, including depreciation, would be about 8.3 cents per mile for privately owned automobiles driven 10,000 miles per year. In view of these findings we recommend that section 3 of H.R. 3279 be deleted.

We endorse section 4 of the bill which would authorize reimbursement for parking fees.

We wish to join the Department of State in recommending additional language which will vest in the President delegable authority for establishing maximum per diem allowances to civilian travelers in foreign countries, Alaska, Hawaii, and territories and possessions of the United States. The Bureau of the Budget now has statutory responsibility for establishing these rates although we must rely upon the State Department for firsthand cost information upon which foreign rates are established. We believe it would be appropriate for the President to delegate the responsibility for establishing the per diem rates in foreign countries to the Department of State. Transfer of this responsibility would relieve the Bureau of the Budget of an administrative responsibility and would permit consolidation of the responsibility for establishing per diem rates with the closely related function already being performed by the State Department of establishing cost-of-living allowances for civilian employees in foreign countries.

We also join the Department of State in recommending additional language to authorize payment in unusual circumstances of subsistence expenses on an actual expense basis to travelers in foreign countries, Alaska, Hawaii, and the territories and possessions of the United States. Statutory authority for such payments now exists with respect to travel in the former 48 States and the District of Columbia. Since unusual circumstances may arise outside as well as within the former 48 States, we believe the authority should be extended to include travel outside the former 48 States. It is not feasible, however, to apply throughout the world the flat maximum of \$25 per day which is provided in the existing statutes because rates of exchange and subsistence costs vary too greatly from country to country. Therefore, we recommend that a maximum be authorized in an amount not exceeding the established maximum per diem applicable for each country plus \$10 per day.

We also wish to recommend that the bill be amended to make clear that the statutory maximum per diem rates provided in the Travel Expense Act and the Administrative Expenses Act are not applicable in Alaska. Otherwise, section 48 of the Alaska Omnibus Act might be construed to require that the proposed \$15 maximum per diem rate be applied to Alaska although special rates are clearly justified by the higher costs which prevail in Alaska. A similar problem does not exist with respect to Hawaii.

We have collaborated with the State Department in drafting language to accomplish the additional amendments described above and are enclosing for your consideration a copy of the proposed language which is also being transmitted in a report which the State Department is transmitting to your committee.

The State Department is also submitting proposed language for consideration by your committee which would extend the per diem allowance provisions of the Administrative Expenses Act to persons serving on three groups authorized by statute to advise the State Department but not authorized to receive per diem allowances on the same basis as other persons serving without compensation. We believe these proposals also are desirable.

Sincerely yours,

PHILLIP S. HUGHES,  
Assistant Director for Legislative Reference.

PROPOSALS BY THE DEPARTMENT OF STATE AND THE BUREAU OF THE BUDGET

To Amend H.R. 3279 to (a) Vest Delegable Authority in the President for Establishing Maximum Per Diem Allowances to Civilian Travelers in Foreign Countries, Alaska, Hawaii, and the Territories and Possessions of the United States, (b) Provide for Payment of Subsistence Expenses on an Actual Expense Basis to Travelers in Foreign Countries, Alaska, Hawaii and the Territories and Possessions of the United States, and (c) Make Clear That the Statutory Maximum Per Diem Rates Provided in the Travel Expense Act and the Administrative Expenses Act Are Not Applicable in Alaska

SEC. —. (a) Section 3 of the Travel Expense Act of 1949, as amended (5 U.S.C. 836), is hereby further amended (1) by striking out the words "by the Director of the Bureau of the Budget" appearing before the first proviso, and by substituting therefor the following: "by the President or his delegate (who may be the Director of the Bureau of the Budget or any other officer of the Government)", and (2) by striking out the proviso at the end of such section and inserting in lieu thereof the following proviso: "*And provided further*, That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7, prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of \$25, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits."

(b) Section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2), is hereby further amended (1) by striking out the words "by the Director of the Bureau of the Budget" appearing before the proviso, and (2) by striking out the proviso at the end of such section and inserting in lieu thereof the following proviso: "*Provided*, That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7 of the Travel Expense Act of 1949, as amended (5 U.S.C. 840), prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of \$25, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits."

(c) Section 48 of the Alaska Omnibus Act (73 Stat. 141; 48 U.S.C. note prec. sec. 23) shall not apply to the amendments made by this section.

Mr. Henderson and I were not well coordinated, as I should have contacted him and told him that we had extra copies. I understand he went to the trouble of making copies, which we could have provided.

First, I would like to introduce the people who are with me. To my right is Mr. Walsh, who is responsible in my group in the Bureau of the Budget for the handling of the Standardized Government Traveling Regulations; this little booklet with which some of you are familiar.

To his right, is Mr. James Currie, who has been responsible for some of the studies and factual cost analyses that have gone into our work in this area and Mr. Dayton W. Hull, of the State Department, whom I asked to help me out here because some of the amendments that we are proposing affect the State Department primarily.

Chairman DAWSON. Come up a little closer, Mr. Hull.

Mr. MULLINS. Mr. Hull is the Chief of the Allowances Division in the State Department.

As Congresswoman Granahan has pointed out in her statement, this subject has been a matter of concern to this committee for quite a long time, and in 1954, as she pointed out, the Bureau of the Budget recommended a \$13 rate, which was passed by the committee and passed by the House in that form. However, it was reduced in the Senate to \$12. So far as I can tell, the only reason for that reduction back to \$12 was to make the amount conform to legislation which had previously been considered and passed in the Senate, setting a \$12 rate for the uniformed services; those affected by the Career Compensation Act, which includes all of the military services, the Coast Guard, the Coast and Geodetic Survey, and the health officers of the Bureau of Public Health.

We are in agreement with the principle that the per diem rate for the uniformed services, and for civilians, ought to be the same even though we had hoped that the \$13 rate as it was passed by this committee, would go through. That means in effect that the per diem rate from our point of view has been inadequate since 1954, and, as Mrs. Granahan has pointed out, these costs have been increasing since then.

Of the six things which the bill will do, of course, the principal one of greatest interest and significance, is the one which would increase the per diem rate for civilians, who are traveling on official business from the present \$12 maximum to \$16.

In 1959, the previous bill that was mentioned, also proposed a \$16 rate. At that time, our study indicated that costs were approximately \$14.30 per day. That study excluded cases where it appeared that unnecessary expenses had been incurred, such as people staying in extremely costly accommodations under sort of luxury conditions. It also excluded situations where costs were abnormally low, as for example, a Forest Service firefighting employee might live in a tent and naturally, his costs would be much lower.

That bill was passed by the House with a \$15 rate, as has been pointed out, and during the handling of that bill in the Senate, after it had been passed by the House, we reviewed our cost estimates which were based on facts obtained during the fall of 1958. We found that in that period of a few months, there had been further increases in costs. We based that finding upon accounting studies made by private accounting firms for the hotel and restaurant industries. It looked as though the costs had increased to slightly over \$14.70 per day.

On the basis of that finding, we withdraw our proposal for a \$14 rate; withdrew our objections to the \$15 rate; and supported that part of the bill that provided a \$15 rate.

As has been pointed out, that bill did not pass because of the conference difficulties in the rush toward the close of the session last spring.

Since then, during the past fall, we have again reviewed our studies, made a little more complete analysis than we did last spring, and we find in spite of some of the announcements about unemployment and economic difficulties, that costs have increased in this particular area. As a matter of fact, they have increased at a greater rate than the cost of living index.

Since 1954, using 1954 as 100 percent, the consumer price index in December 1960 was 111 percent. Using the 100 percent of 1954 as the peg, the average for a single hotel room had increased to 128.9 percent during that same period.

Restaurant, hotel-restaurant meals increased 137.6 percent. So we cannot entirely rely upon the consumer price index as a reliable indicator of travel expenses.

The study that we have completed most recently indicates that the costs have reached \$15.13 on the average and again knocking out the extremely high ones that seem to be abnormal and doing the same thing with those that are abnormally low.

Chairman DAWSON. If needed above \$15, why would you wish to keep it at \$15?

Mr. MULLINS. Well, of course—that 13 cents—it is a little bit difficult to estimate these rates at a precise amount, and \$15.13 as I said, it was \$14.30 before; then \$14.71, I believe it was, the second time. We based the \$15 rate on the most recent study.

Chairman DAWSON. But you do not have to pay the maximum, do you?

Mr. MULLINS. Individual agencies can allow a rate below the maximum. The Bureau of the Budget cannot direct all agencies to use a rate below the maximum but the agencies themselves, can do it; but we cannot make it mandatory that they should do it.

Chairman DAWSON. A suggestion of the Bureau of the Budget sometimes amounts to a ruling so that the agency head is not going to disagree with the Bureau of the Budget.

Mr. MULLINS. Well, Mr. Congressman, sometimes we can exercise some influence.

Chairman DAWSON. Don't you think that exercising of that influence is better than penalizing the Government employee who is about Government business and has to pay that amount? What are you going to do about that?

Mr. MULLINS. Well, I think perhaps it should be pointed out that anyone in the Government who testifies in this particular subject, including myself, has a sort of a conflict of interest in this area, since we all travel ourselves.

Chairman DAWSON. Yet those decisions have got to be made by somebody and if it is your duty to make a decision, you would make it. If it was lower than the maximum, if you were head of the Department, and the costs were lower than the maximum, you would require those employees under you to meet the minimum set by you—the least amount set by you.

You would have that power, that authority, and that duty in my judgment.

Mr. MULLINS. The Bureau of the Budget could direct its own people when they were traveling to accept a rate lower than the maximum. Any head of any agency may do likewise under the wording of the law. This also applies to the automobile mileage rates. Everything that I have said applies to both of those.

Chairman DAWSON. Yes.

Mr. MULLINS. The head of the agency can do this, but it is the opinion of our legal counsel that the Bureau of the Budget does not have the power to direct other agencies, other than its own people, to take a rate lower than the Congress has directed. The law says the head of each agency shall set the rates within the maximum.

Mrs. GRANAHAN. Excuse me. Do not the various agencies demand receipts? Therefore, nobody would be taking advantage.

Mr. MULLINS. Demand receipts?

Mrs. GRANAHAN. Hotel receipts.

Mr. MULLINS. Oh, no. The purpose of the per diem system is to avoid the necessity of proving actual expenses. Perhaps you are thinking of the other features of the bill—the \$30 rate.

Mrs. GRANAHAN. Yes.

Mr. MULLINS. In that case, yes. They must produce actual documentary evidence of what they have spent when they travel on an actual expense basis but the terminology here is per diem, in lieu of subsistence. Allowances in lieu of subsistence.

Mrs. GRANAHAN. I don't know how a Government employee can really manage, unless it is \$16 a day, and I think they are expected to, and should, live accordingly. I live in a hotel. I know the expenses, and I am sure they cannot eat three meals a day at a hotel, at \$16 a day.

Mr. MULLINS. Certainly, I would have to say, from my own personal experience, if I go to New York or to Chicago or to any other large metropolitan area, and if I stay there only 1 or 2 days, I must spend money out of my pocket, and I have had to do that.

On the other hand, if I am on travel status for some length of time, say a week or two or a month, it is possible for me to make some living arrangements that are more economical and it is reasonable that I do so.

I don't have to stay in quite as expensive a place. I can make better arrangements for food, if I am there for a longer time, or if I travel to a place where it is less costly than the points I have named. I can stay within a lower rate.

Now, if a traveler only went to New York and Chicago, he would be out money. There is no doubt about that, but that is not the normal situation. The normal situation is that you get a little of everything. You travel perhaps once or twice to New York and you lose money. You go someplace else, perhaps for a longer period. You make some of it back. That would be my own experience.

Mrs. GRANAHAN. I don't know. It seems to me, even guesthouses today are \$9 a night in small communities, if you want to stay in a decent, clean one.

Mr. MULLINS. We have obtained figures for that particular cost. Of course, we are dealing with averages, and so everything that I say, statistically, must be qualified to the point that it is a taking

of a whole lot of different figures, and bringing them together—but I can furnish some of these cost figures.

Shall I go on to another point, other than the per diem?

Chairman DAWSON. Yes.

Secondly—well, first let me say that I am authorized to state that it is the administration's position to support a \$15 per diem rate.

On the second provision of the bill which would increase to \$30 the maximum allowance on an actual expense basis, so far as we have been able to discover, that increase is not needed. The present rate of \$25 day would handle all except the most extreme kinds of situations. As far as we can discover, those are extremely rare, although they do occur, as I will point out later. There are some cases of that kind of that do occur overseas, but this particular provision in the bill would apply only to travel in this country.

The third feature of the bill would increase to \$16 the maximum per diem allowance for w.o.c.'s, that is persons working without compensation. As Congresswoman Granahan pointed out, this would bring that rate into line with the other feature of the bill as it was introduced.

We are in agreement with the principles, that those rates should be the same. Whatever is done with the rate for persons in Government service, we know of no reason why a person working without compensation should have a different rate. This represents a change from the past views of the Bureau of the Budget. A few years ago, we did support a \$3 higher rate for people in the w.o.c. category. We believe that is really not justified, and therefore, since this would conform the w.o.c. rate to the rate for regular employees, we are supporting a \$15 rate for that, the same as the other. Whatever is done to one should be done to the other.

The fourth provision of the bill would increase to 8 cents per mile the mileage rate for motorcycles and I think perhaps that should be considered together with the fifth change, which would increase to 12 cents the mileage rate for automobiles and airplanes.

Actually, the rate for motorcycles is a rather unimportant feature; not nearly as important as the rate for automobiles, because there are not as many motorcycles used. That rate has been determined to keep it in a fairly constant relationship with the rate for automobiles. The rate for automobiles has been controlling.

The mileage rate, studies that we have made, indicate that there has been some increase in costs since 1954 when the rate was last changed.

The actual price of gasoline is about the same as it was then but the taxes are much higher than they were and the increased rate on gasoline is caused largely by taxes rather than increases in the actual cost for the gasoline itself.

The rates for insurance, and other factors, also have increased. The major increase, based upon the cost estimates of one of the major companies looking into this matter, has been in the depreciation in motor vehicles.

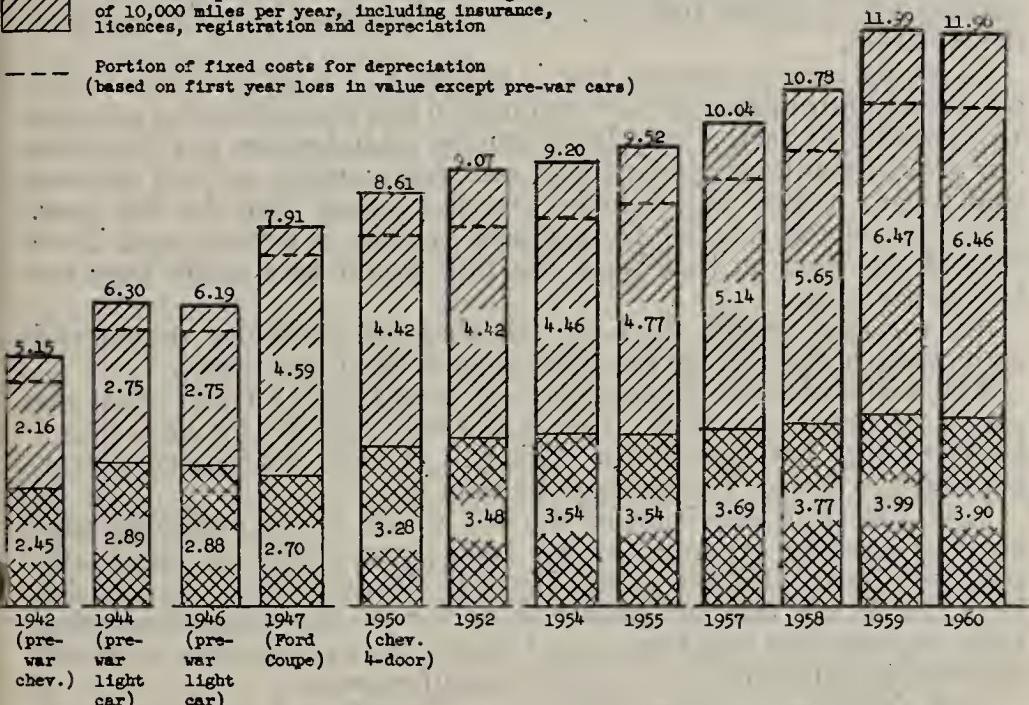
I have some small tables here which Mr. Henderson has been furnished, which I think will point that out to the members more clearly than I could say it.

(The table referred to follows:)

## BUREAU OF THE BUDGET

FIXED AND VARIABLE COSTS OF PRIVATELY OWNED MOTOR VEHICLES

Cents per mile

Variable Operating Costs  
(gas, oil, tires, maintenance)Fixed costs per mile based on assumed usage  
of 10,000 miles per year, including insurance,  
licences, registration and depreciation— — — Portion of fixed costs for depreciation  
(based on first year loss in value except pre-war cars)

You will notice that if you assume a use of an automobile for 10,000 miles per year, the depreciation accounts for more than half of the total cost of operating the vehicle on this particular set of assumptions.

Now, the reason that—in spite of the fact that there has been this increase in costs—we have difficulty in justifying an increase to 12 cents, is that so far as we can determine, the 10-cent rate is more than adequate. In fact, quite a number of agencies are allowing less than the 10-cent rate right now, and that conforms to the practice in the vast majority of private industries.

There are very few who allow even as much as the present 10-cent rate. The reason we believe the present rate is adequate, in spite of the figures in the chart that I have given you, is that these rates, are based on the assumption that a new car is being used during its first year of ownership. Of course, depreciation during that time is much greater than at any other time.

Also, we must keep in mind that depreciation, within the past several years, includes a rather large trade-in factor. When you trade in for a new car, you get a larger trade-in than the old car probably sells for on the used car lot, because there is a factor built into the pricing which allows for that. It is a sales gimmick which inflates depreciation.

So we believe the present rate is adequate in view of the fact that our present rate appears to be very much in line with industrial practice (as a matter of fact, a very large number of industries pay less than our present maximum under the 10-cent rate); and in view of the fact that we can assume that vehicles are used longer than the first year. The replacement rate for Government vehicles is 6 years, and if we figured the costs on that basis, the rate would be slightly over the 8 cents per mile.

So, for that reason, we have felt that we could not recommend an increase in the mileage rate for automobiles at this time.

You will notice also on this chart—I hope this is a trend—that the cost went down last year. This is the only cost in this area that I know of that has gone down slightly. It only went down 1 cent, but it did go down. Everything else went up.

Now, the sixth provision of the bill which would authorize payment of parking expenses, as has been pointed out, was originally proposed by the Bureau of the Budget. We still favor it; still believe that it is a fair and proper thing for the Government to reimburse an employee who must spend money for parking fees on official business, just the same as any other kind of expense.

Now, those are all of the provisions in the bill, as it was introduced.

We are recommending some additional amendments. All of these recommendations were included in the bill as it passed the Senate last spring, and we were responsible for proposing to the Senate that those amendments be made.

Generally, we believe, they are of a technical nature, not involving any very substantial changes in policy. They are more or less to bring things into line with what has already been done.

I will summarize what they do, and then I believe Mr. Hull, from the State Department, may have some further comments on that.

The first amendment that we are recommending would transfer the responsibility for establishing per diem rates for travel outside

the United States from the Bureau of the Budget, where the law now places it, to the President, the intent being that the President could then delegate the responsibility to the State Department. Although that would not be necessary; he could delegate it to anybody he saw fit.

Now, the reason for that is that the Bureau of the Budget has no staff able to provide accurate cost information on living expenses overseas. We would have to get a good-sized staff to travel all over the world in order to find out what different living costs are in different countries and cities. Rather than do that, we rely very heavily upon the State Department which is already deeply involved in handling many other oversea living allowances, rental allowances, and other costs; and they simply take this as an additional duty and advise us as to their recommendations.

On the basis of working together as we have over quite a number of years, we revise the travel regulations to provide changes in rates for different parts of the world.

We believe it would be simpler and a cleaner alignment of responsibility if all of these functions were combined with the State Department since they are so closely related. They are all dealing with various aspects of living allowances.

The second of these amendments would authorize the payment of expenses on an actual expense basis, to travelers overseas, who are facing the same unusual circumstances that are now provided for travel in the United States by the \$25 rate, which, as proposed by Congresswoman Granahan, would go up to \$30 a day. All that we are saying here is that the same kinds of situations can arise in foreign countries but the law does not now provide that kind of relief for travel in foreign countries. However, we are unable to simply set a flat rate of, say, \$25 or some other rate, for overseas, and have that one rate apply worldwide because rates of exchange differ a great deal, as do travel expenses in different countries.

As a matter of fact, there are some countries that have rates well over \$25 per diem, right now. Others are way down, less than half that amount. So we are proposing a flat amount over and above the authorized per diem.

For example, if the present per diem in one country is—we will say \$16—this would authorize a rate on an actual expense basis of \$10 more than that, or \$26.

If the present rate were only \$6, then it would authorize actual expense rate up to \$16. In other words, it would be \$10 above the present authorized per diem allowance on the same basis that our present domestic practice is, to allow up to \$25 which is \$13 above the present maximum per diem rate.

The third amendment is a relatively minor one to correct an oversight on our part when we considered these bills before. It would simply make clear that Alaska is not to be subject to the same per diem rate as other States, because of its special geographic location. At present, Alaska is treated as though it were a foreign country, per diemwise, and a special rate is established for Alaska.

The same is true of Hawaii.

However, due to language in the Alaska Omnibus Act, there was a doubt, both in Congress and in our office, that the flat rate might be applied in Alaska.

We would like to preserve the status quo. The amendment permits that.

And, finally, there is an amendment which would bring into line the per diem rates that are now provided for by statute, to several advisory groups to the State Department, mostly involving UNESCO. At the time those groups were created by statute, they were given a \$10 per diem, which was \$1 above what everybody else got at that time. At that time, we had a \$9 rate. We have increased it from \$9 to \$12 and we are now considering a further increase so that, although the intent of Congress was to allow these groups a little bit more, they are now getting much less than others.

Following the same line that I have already discussed, we are recommending that they simply receive the same amount that everybody else gets, the same as other persons working without compensation. These are people who work without compensation.

That concludes my statement.

Chairman DAWSON. Any questions, Mrs. Granahan?

Mrs. GRANAHAN. Speaking of the people who are working without compensation, don't you think for their traveling they ought to be sufficiently compensated? I don't think this does compensate them. I think these are men who are interested in Government, who are outside of it, who are taking, I might say, honorary appointments; even though they can well afford it, I don't think we, the Government, should penalize them in any way whatsoever. I think they should be reimbursed, if not for what they exactly spend, at least for the \$30. I think they are accustomed to traveling under those circumstances, they are not going to search for a little room or a little guesthouse; neither do I think our Government employees should have to do that. I think they are a respected, high-class group. That is what we want to keep them. If we don't recognize it, I think we are making a grave mistake.

Mr. MULLINS. I certainly—speaking as one of the people you have mentioned—I resent very much being considered a second-class citizen, and I would view the person working without compensation on the same basis as the person who works with compensation so far as this area is concerned. They both should get an adequate amount.

Mrs. GRANAHAN. I agree with you there.

Mr. MULLINS. And the adequacy of the amount is based upon their expenses rather than their public spiritedness in serving the Government.

There are many people who are working for the Government receiving a salary and doing so at a loss, too.

Mrs. GRANAHAN. That is very true. I think most Government employees are dedicated men.

Mr. MULLINS. We are assuming here that we should not use the travel allowance as a sort of fringe benefit. It is merely a reimbursement for costs actually incurred.

Mrs. GRANAHAN. Is it? Are we really reimbursing them for costs incurred?

Mr. MULLINS. On the basis of the study that we have made, we feel that it has been inadequate, at least since 1954.

Mrs. GRANAHAN. Yes. I think—pardon me.

Mr. MULLINS. And we are certainly recommending that it be increased. We think it ought to be increased. It is just a question of amount. So far as we can tell, the cost figures don't seem to justify a rate going up to \$16.

Mrs. GRANAHAN. I recall very well when we had our hearings here last year. I think our chairman and the gentlemen will recall that a certain member said, "Why can they not all go out and buy their breakfast at Nedick's for 50 cents?"

I don't feel that way. I think they are entitled to three good meals a day, good lodging, and so on, comparable to what they have at home.

Now, I don't think we should go overboard, you understand, but I do, I really feel very sincerely about this, I note here on the chart about cars, you are only thinking about Chevrolets and Fords, apparently, in this chart.

Mr. MULLINS. These are Chevrolets, Fords, and Plymouths. They exclude both the heavy sedans, such as Buicks, and so on; and they also exclude the compact cars, such as the Corvettes. They are in between the two.

Mrs. GRANAHAN. It seems to me it would be more economical to have a heavier car, according to people I have spoken to and dealers. The first year of the Ford is fine. After that, you just spend money on it. So, therefore, they would not be compensated by the mileage rate. That is the way I feel.

Mr. MULLINS. Do you mean that the costs for the Ford are higher?

Mrs. GRANAHAN. Yes.

Mr. MULLINS. Well, the Federal Government has a law which sets a ceiling on the amount that may be spent for an ordinary automobile.

Mrs. GRANAHAN. Yes.

Mr. MULLINS. There is one ceiling for an ordinary, four-door sedan, and another ceiling for station wagons, which is a little bit higher.

Now, that ceiling for the past several years has been set a rate which limits the Government to a six-cylinder Ford, Chevrolet, or Plymouth. As a matter of fact, in many instances, we cannot even get bids. So the Government for quite some time, has been by necessity, using a Ford, Chevrolet, Plymouth of the six-cylinder, rather stripped-down variety. There are exceptions when provided by law: the head of an agency can get a bigger car, and so forth; but by far the biggest majority are of this kind you mentioned, and we have a replacement schedule that is set up by the General Services Administration, which provides for replacement after 6 years, or 60,000 miles, whichever comes first; and on that basis, the basis of our own expenses, we are spending about 7 cents a mile.

Now, that is not a fair direct comparison for privately owned cars because we don't have taxes and we don't have some of the other costs that a private user would have. So 7 cents is too low for comparison, but it does give you some guide line as to costs.

Mrs. GRANAHAN. Don't you think it would cost 10 cents to drive a Ford, Chevrolet, or Plymouth after the first year? Ten cents a mile?

Mr. MULLINS. No. I don't believe it would; at least, I have no figures to support that conclusion.

Mrs. GRANAHAN. Stopping and starting, which the Government employees have to do a great deal; making different calls—stop.

Mr. MULLINS. Higher gas consumption—that would cause higher gas consumption but I believe the gasoline consumption is a relatively minor element. The big thing is the depreciation—over half, well over half of the cost of operating a car is depreciation.

Mrs. GRANAHAN. Gasoline, with taxes kind of catching up with the depreciation.

Mr. MULLINS. At least the taxes are.

Mrs. GRANAHAN. That is right.

Chairman DAWSON. Mr. Anderson?

Mr. ANDERSON. I just had one question of the witness, Mr. Chairman. Some Government employees of course, are reimbursed while on official travel, up to the present \$25 maximum, are they not?

Mr. MULLINS. Yes.

Mr. ANDERSON. Others collect merely the per diem. What is the breakdown there? Do you have any figures to show how many of them are limited by the per diem figure; how many can actually—I don't think I agree with Mrs. Granahan. There is no reason why people working for the Government should be restricted to an arbitrary figure that does not represent their actual out-of-pocket expense. Why cannot more of them collect up to the limit of their actual out-of-pocket expense?

Mr. MULLINS. They can.

Mr. ANDERSON. I was just reading a statement in here by an Internal Revenue man—the statement submitted by the National Association of Internal Revenue Employees, setting forth his expenses for a 2-day trip as being \$27.50. Reimbursement for the first day, \$12; the second day, \$2.75; for a total reimbursement of \$14.75.

I am giving him a total list for the 2-day trip of \$12.75. I assume, from reading this, that was the best he could do; that the Internal Revenue Service would only allow a \$12 per diem to him.

Why should that be?

Mr. MULLINS. I don't know. I am not familiar with the internal policy of the Internal Revenue Service. All I can say is that each department has the authority in a case where the maximum rate is too low, to allow up to \$25 on an actual expense basis.

In other words, the traveler then submits his hotel bill and his meal costs and documents his costs; then he can get reimbursed for whatever those expenses were, up to \$25 per day. If that were not the case, the situation would be quite different, because there are cases such as the one you point out, perfectly legitimate, where a man does necessarily incur expenses that are much higher than the authorized per diem.

Mr. ANDERSON. Are there agencies then within your knowledge who simply say to the employee: "You can only collect a per diem. You cannot be reimbursed, even though you can prove actual out-of-pocket expenditures in excess of the per diem"?

Mr. MULLINS. I don't know of any cases of that kind. The use of the actual expense method is controlled on an individual trip basis.

In other words, the decision on whether to operate under the per diem basis or the actual expense basis, is an individual decision made for the individual trip. It is not a blanket thing.

Mr. ANDERSON. Or his designees.

Mr. MULLINS. Yes.

That would be in situations where it is necessary for the traveler to be in an unusually high cost place, where the costs are just completely abnormal, way out of line.

Mrs. GRANAHAN. I think the traveler Mr. Anderson is talking about had a total loss of \$12.75.

Mr. ANDERSON. Yes.

Mrs. GRANAHAN. That is not fair.

Mr. ANDERSON. The sample that was submitted demonstrates that.

Chairman DAWSON. Any other question, Mr. Anderson?

Mr. ANDERSON. No, that is all I have.

Mr. HENDERSON. Mr. Mullins, with reference to the per diem--you said in your report that your figures last fall showed that the average expense was \$15.13 per day.

Now, would you say that those costs have remained the same since then or could they still be rising?

Mr. MULLINS. We have not made a further study since those figures, so I cannot answer too positively. My understanding is there has been a pause for the first time in quite a long time.

Mr. HENDERSON. You are not really sure?

Mr. MULLINS. No, we would have to check on them. I think perhaps we could, on rather short order.

Mr. HENDERSON. Whenever you found that they were a little in excess of \$15, what would be the argument for holding it at \$15 rather than going to \$15.50 or \$16, since this is just a ceiling, is it not, and it is still the prerogative of the Department heads to set lower figures?

Mr. MULLINS. Well, I believe the reason that we have used is that this \$15.13 figure is arrived at because some people spent more and lots of others spent less. The ones who spent less can be controlled by administrative action of the agency. For those who spent more, and some of them spent quite a bit more, there is existing authority in most cases, to handle it on the actual expense basis.

In other words, the effect would be that up to \$15 you get that much without explaining. If it is over that, then we think you ought to indicate what it was you spent it for. That is about what it boils down to.

Mr. HENDERSON. Now, would it be a fact then, that if an employee such as the one from the Internal Revenue Bureau returned from a trip and presented the expenses that he had made to his superior, that the superior would bring into play this authorization that would enable him to provide actual expenses?

Mr. MULLINS. It can be done either on a before-the-fact basis or on an after-the-fact basis. It is legally authorized to do it either way.

Mr. HENDERSON. When we wrote the law in 1955, we said: "due to the unusual circumstances of a travel assignment."

Mr. MULLINS. Yes.

Mr. HENDERSON. And would you consider it unusual, just because in this case, the expenses happen to be a little higher. It seems to me that at that time we were talking about certain conferences with

high business executives, and so forth, that the Government employees should be able to meet on a par.

Mr. MULLINS. I don't know what the circumstances were for the travel by the Internal Revenue example you mentioned. I don't know whether it is unusual or not. The costs would seem a little unusual to me.

Mr. HENDERSON. Now, with reference to the mileage. Inasmuch as the increase beyond 10 cents, which is recommended by the bill, is still only a maximum, what would be the reason for keeping it at 10, even though you may not have present figures to justify an increase, if there is a likelihood that there would be an increase in cost?

Shouldn't the ceiling be there, just in case you need it?

Mr. MULLINS. Well, I guess this puts us in a rather unfamiliar role. Usually, we are trying to ask for more than the Congress is willing to give us but—well, I guess we can put it this way—that we do not feel at this time that we have data which would support an increase in the mileage rate even though myself and others who use their cars on official business would welcome more money, of course, but the cost figures do not seem to support it, so far as our analysis will carry us.

That is the basis for our position.

Mr. HENDERSON. You recognize there are some studies that show that the costs of driving a car are higher than 10 cents?

Mr. MULLINS. Yes. As a matter of fact, the charts which I passed out indicate costs that are over 11 cents, 11.9 cents. Those are based on a very high, and greatly inflated depreciation rate. Over half of that 12 cents is depreciation. Six-and-a-half cents out of the 12 is depreciation, and based on the assumption that all cars are used for official purposes, in their first year of ownership—which we don't believe is quite the fact—and on the further assumption that all cars are driven no more than 10,000 miles per year. Because we feel that those assumptions are not quite correct in the normal situation, we have not gone along with those costs—that type of cost estimate—for the purpose of mileage allowances on automobiles. Apparently, that is also the case with most private industry, so far as we can determine.

Mr. LANIGAN. I notice that in your argument against the higher mileage, you make—you base your arguments to a great extent, on the mileage allowed by private industry. But in your discussion of your per diem, you don't say anything about the per diem or expense allowed by private industry to employees and supervisory employees who travel for private industry.

Have you made any study of the allowances by private industry for the purposes of travel?

Mr. MULLINS. We do not have information on the per diem allowances by industry. We know, in a few cases, what is done. Of course, a lot of industrial travel that is a little different than Government travel, in that it is done for sales promotional purposes; things of that kind which are a little bit out of line of the Government.

Mr. LANIGAN. Would you say that from what you know, travel allowances in private industry and business are higher than \$15 a day?

Mr. MULLINS. I do not know. I do not have the facts on that.

Mr. LANIGAN. Is that \$15.13 figure that you arrived at in 1960 on the basis of an average that you took of the various costs?

Mr. MULLINS. First of all it is based on a large sample of actual expenses which the Government traveler has incurred. This was sometime ago.

Secondly, it is based upon a study which the Bureau of the Census made, on a sampling kind of a study.

Thirdly, we have had the assistance of the Department of Labor and what we did was to take those figures and apply to them the indexes that had been developed by the accounting firms for hotel associations, and so forth, showing for their own guidance, what the cost trend had been.

Mr. LANIGAN. From your testimony, I understood you to say that you had eliminated the very low examples, and the extremely high examples, and then reached your figures by averaging out the general range of cost. Is that correct?

Mr. MULLINS. That is correct. In other words, we did not include the—you might say—barest kind of situation in which a group might live. Another example might be crews of people engaged in fire-fighting in the forest areas, whose living costs would be extremely low.

Mr. LANIGAN. Then for the average travel, for the normal Government traveler, about half of them would come somewhat over \$15.13 and about half of them would come somewhat under the \$15.13. Is that correct?

Mr. MULLINS. I don't know whether it is half of them. My impression from looking at the figures is that they are affected to quite an extent by the relative small number that went way up. In other words, it only takes a few that are quite a bit higher to bring the average up.

Mr. LANIGAN. From what people have told me, who travel for the Government, they find it quite difficult to get authorization from the agencies to go on actual expenses. Normally, when I talk to a Government employee, he tells me that the redtape involved is considerable, which they have to go through, and besides, the agency has a policy of not going over the existing per diem rate. They find it extremely difficult to get the special payment.

Do you have any idea of the number of times, and the percentage of trips, on which actual expenses are allowed?

Mr. MULLINS. I believe it is a relatively small number. I do not have the statistics.

Mr. LANIGAN. You have not gathered those statistics?

Mr. MULLINS. Not on a Government-wide basis, but it is small, and it may be that there are administrative difficulties in getting the authorizations.

Mrs. GRANAHAN. May I have just one more question, Mr. Chairman?

When this figure was arrived at, were you considering gratuities? Laundry and other personal incidentals?

Mr. MULLINS. Yes. That includes, like tips—

Mrs. GRANAHAN. Yes.

Mr. MULLINS. What was done there, was to take the actual cost, like hotel and food, and add a factor for incidentals—10 percent. Am I right?

Mr. WALSH. Yes.

Mr. MULLINS. Ten percent above the total cost for hotels and food, for these other kinds of expenses.

Now, that is the same arrangement that was built into the rates, oh, for quite some years back. That is the factor, as it was worked out on the present \$12 rate, and I believe even before that.

Mrs. GRANAHAN. I think you would embarrass a person today, giving a 10-percent tip.

Mr. MULLINS. Well, of course; yes. That does not mean that the tips are 10 percent because there are many of these services for which no tips at all are given.

Mrs. GRANAHAN. That is true.

Mr. MULLINS. Some of these—

Mrs. GRANAHAN. But I mean, you were figuring overall, 10 percent?

Mr. MULLINS. You are figuring 10 percent above hotel and food for incidental expenses in travel.

Mrs. GRANAHAN. Well, 10 percent of \$15 a day would be \$1.50.

Mr. MULLINS. Well, what I mean is that the 10 percent is already built into the \$15.13.

Mrs. GRANAHAN. That is right. So therefore, it is only \$13.50, that they are being permitted for lodging and eating. Right? Of course, you are including laundry there too, are you?

Mr. MULLINS. The breakdown is \$8.45 for the hotel room and \$5.30 for meals which comes to \$13.75—about the figure you mentioned—and then \$1.38 is on top of that.

Mrs. GRANAHAN. I don't think Government employees are properly fed at \$5.30 a day; nor do I think they can get a room for \$8.40 a day.

Mr. MULLINS. It depends on where they are going and how long they will stay there.

Mrs. GRANAHAN. That is all, Mr. Chairman.

Chairman DAWSON. Any other questions?

(None.)

Mr. MULLINS. Thank you, Mr. Chairman.

#### STATEMENT OF DAYTON W. HULL, CHIEF, ALLOWANCES DIVISION, DEPARTMENT OF STATE

Mr. HULL. My name is Dayton W. Hull, Chief, Allowances Division, Department of State. I appreciate the opportunity the committee has afforded me to present the views of the Department of State on this bill.

My prepared statement basically consists of the letter to the chairman dated April 12 from the Honorable Brooks Hays, Assistant Secretary, and its attachments. I shall not attempt to repeat in detail the views set forth in that letter.

(A letter and enclosures from Department of State follow:)

DEPARTMENT OF STATE,  
Washington, April 12, 1961.

Hon. WILLIAM L. DAWSON,  
Chairman, Committee on Government Operations,  
House of Representatives.

DEAR MR. DAWSON: Reference is made to your letter of January 31, 1961 requesting the views of the Department of State on H.R. 3279, a bill to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes.

H.R. 3279 would amend the Travel Expense Act of 1949 and the Administrative Expenses Act of 1946 to increase travel per diem rates in the United States to \$16 and increase the rates requiring special authorization from \$25 to \$30. The bill also would amend the Travel Expense Act of 1949 to increase maximum mileage rates for personal transportation of employees on official Government business to 12 cents and to provide for payment of parking fees.

The Department favors an increase in the maximum rate of per diem allowance to the \$15 level which both Houses approved during the last session of the Congress. However, no evidence is available in the Department which would indicate that it is necessary to increase the per diem rate higher than \$15, nor is there evidence that any increase in the present \$25 limitation is required. The Department believes that the present allowance of 10 cents per mile is adequate and that it need not be changed. The Department favors the provision for payment of parking fees.

When your committee takes up H.R. 3279 the Department would appreciate your considering the enclosed proposed amendments relating to travel expenses. These amendments would improve the administration of the law and correct certain existing inequities. Briefly, the amendments would—

1. Vest authority in the President for prescribing per diem rates outside the United States;

2. Authorize actual expense reimbursement while in travel status abroad as now provided for domestic travel; and

3. Provide appropriate per diem allowance rates for advisory groups whose members serve the Department without compensation.

The wording of these proposed amendments together with a detailed explanation is enclosed for your consideration.

The Bureau of the Budget advises that from the standpoint of the administration's program there is no objection to the submission of this report.

Sincerely yours,

BROOKS HAYS,  
Assistant Secretary  
(For the Secretary of State).

#### PROPOSED AMENDMENTS TO H.R. 3279 PROPOSED BY THE DEPARTMENT OF STATE

Sec. 5. (a) Section 3 of the Travel Expense Act of 1949, as amended (5 U.S.C. 836), is hereby further amended (1) by striking out the words "by the Director of the Bureau of the Budget" appearing before the first proviso, and by substituting therefor the following: "by the President or his delegate (who may be the Director of the Bureau of the Budget or any other officer of the Government)", and (2) by striking out the proviso at the end of such section and inserting in lieu thereof the following proviso: "*And provided further*, That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7, prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of \$25, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits."

(b) Section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2), is hereby further amended (1) by striking out the words "by the Director of the Bureau of the Budget" appearing before the proviso, and (2) by striking out the proviso at the end of such section and inserting in lieu thereof the following proviso: "*Provided*, That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7 of the Travel Expense Act of 1949, as amended (5 U.S.C. 840), prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of \$25, within the limits of the continental United States,

or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits."

(c) Section 4S of the Alaska Omnibus Act (73 Stat. 141; 48 U.S.C. note preceding sec. 23) shall not apply to the amendments made by this section.

SEC. 6. Section 3 of the Act of July 30, 1946 (22 U.S.C. 287o) is amended so that the last proviso will read as follows: "*Provided, however,* That he may be paid transportation and other expenses as authorized by section 5 of the Administrative Expenses Act of 1946 as amended (5 U.S.C. 73b-2)."

SEC. 7. Section 5 of the Act of July 30, 1946 (22 U.S.C. 287q) is amended so that the sentence relating to transportation and subsistence expenses will read as follows: "The Department of State may pay their transportation and other expenses as authorized by section 5 of the Administrative Expenses Act of 1946 as amended (5 U.S.C. 73b-2), for the period of actual attendance and of necessary travel."

SEC. 8. Section 801 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1471) is amended in subsection (6) so that the portion following the semicolon in the last sentence will read as follows: "but he may be paid his transportation and other expenses, as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2)."

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EXPLANATION OF AMENDMENTS TO H.R. 3279 PROPOSED BY THE DEPARTMENT OF STATE

The amendments proposed as section 5 of H.R. 3279 relate to transferring to the President authority for establishing travel per diem rates outside the continental United States. Discussions between representatives of the Department of State and the Bureau of the Budget have led to agreement that this authority should be vested in the President, rather than in the Bureau of the Budget, so that responsibility for establishing per diem rates for civilian employees traveling beyond the limits of the continental United States can be redelegated as appropriate. It has been agreed that delegation of this Presidential authority to the Secretary of State to establish rates of per diem in foreign areas would be in the best interests of the Government.

The Department, for many years, has recommended maximum foreign travel per diem rates to the Bureau for approval and issuance in Circular A-7. The recommendations are based on analyses of cost data contained in the retail price schedule (Form DSP-23). This schedule is prepared by the employees of the State Department at each foreign post or by representatives of other agencies when no employee of the Department is resident at that place. These cost-of-living data are used as the basis for foreign cost-of-living allowances granted to U.S. citizen employees of the Government abroad. Data for both travel per diem and cost-of-living allowances are analyzed concurrently; however, the cost-of-living allowance rates are approved and promulgated by the Department in the Standardized Regulations (Government Civilians, Foreign Areas) whereas the foreign travel per diem rates, because of the wording of the law, are transmitted to the Bureau of the Budget and consequently delayed in approval and promulgation. Two systems and two regulations issuances are involved.

The Standardized Regulations (Government Civilians, Foreign Areas) is a publication which could easily be extended to include maximum foreign travel per diem rates. It is amended at least 13 times a year to provide allowance and post differential rates which reflect changes in living costs and conditions at approximately 800 posts in foreign countries where U.S. citizen civilian employees of the Government are stationed. Advance notices of changed rates, as well as the published amendments, are disseminated on a scheduled basis among the 25 affected departments and agencies and field posts.

Use of the Standardized Regulations (Government Civilians, Foreign Areas) for promulgation of maximum foreign travel per diem rates would—

(a) Enable rates to be prescribed on a post, as well as a country basis, instead of primarily on a country basis, as at present. This subdivision would coincide with the method used for classifying posts for allowances and post differential and provide per diem rates which more accurately reflect room and meal cost differences at posts within a country. Care would be exercised, however, to avoid small variations in rates within a country.

(b) Increase the speed of making warranted foreign travel per diem rate changes (both upward and downward adjustments) from the current quarterly change basis to a biannual period basis. The Department's facilities would also enable interim changes to be made to meet emergency situations.

(c) Reduce costs. Manpower and reproduction costs now borne by the Bureau would be eliminated. Aside from an initial outlay of \$500 by the Department for new plates for expansion of the classification tables in section 920 of the Standardized Regulations, no further cost is anticipated.

The other change proposed in section 5 of H.R. 3279 relates to extension of the authority to provide actual-expense reimbursement during travel status. Public Law 189, 84th Congress, authorized actual-expense reimbursement for subsistence costs up to \$25 for regular employees and w.a.e.'s in unusual circumstances when in travel status within the limits of the continental United States.

It is proposed to drop the limitation confining such actual-expense reimbursement to travel within the continental limits of the United States in order to permit such reimbursement when the travel is performed abroad. A corollary change is to provide a ceiling for the exercise of this authority of \$10 per day more than the otherwise authorized maximum per diem allowance for travel outside the continental limits of the United States.

Most of the official travel abroad can appropriately be reimbursed within the regular maximum per diem allowance. There are occasions, however, when this is not possible owing to such circumstances as a delegation traveling together which must obtain accommodations at the hotel where a meeting is to be held regardless of the higher-than-average cost. As another illustration, when a high ranking official of our Government visits a foreign post, it is expected that he and his key assistants will be put up at the best hotel and that they will take their meals in the main dining room rather than shopping around for the average priced restaurants on which the regular per diem allowance is based. Occasionally a severe revaluation of currency takes place which would make the prescribed rate of per diem completely unrealistic until reviewed and formally reestablished. It is this type of unusual circumstance that requires the greater flexibility of actual-expense reimbursement.

The \$25 ceiling on actual-expense reimbursement appears to be appropriate for domestic travel. It would not be suitable, however, as a ceiling for travel abroad. The maximum travel per diem at present for Venezuela is \$23 but this rate does not begin to cover the expenses incurred in a good room at the Tamanaco Hotel. Conversely a \$25 ceiling would be unnecessarily high for Warsaw where the regular maximum rate is only \$6, and the best commercial hotel charges only slightly more than \$7 for room with meals. It is proposed to provide a ceiling of \$10 more than the otherwise authorized maximum per diem allowance for the location involved.

The amendments which are denoted as proposed sections 6, 7, and 8 of H.R. 3279 all relate to the same problem. There are several advisory groups whose members serve the Department without compensation. The per diem for three of these groups is set by statute at \$10. When this rate was set, it was in excess of the regularly established per diem. The separate legislation for these groups (22 U.S.C. 287, 22 U.S.C. 287q, 22 U.S.C. 1471) was overlooked when the last rate-changing amendment to the basic act (69 Stat. 394) was approved (July 28, 1955). The result has been that these members now receive considerably less than Congress originally intended, since originally Congress had prescribed an amount in excess of the regularly established travel per diem. If these amendments are adopted the persons involved will be compensated in the same amounts as are other consultants of the Government.

**Mr. HULL.** The representative of the Bureau of the Budget has already discussed the primary features of the bill before the committee. The Department shares in those views. I should like merely to emphasize, if I may, the three amendments to H.R. 3279 which the Department would appreciate your considering.

The first amendment that I would like to discuss briefly would vest in the President, rather than the Director of the Bureau of the Budget, the authority to prescribe travel per diem rates outside the United States. It is expected that the President will delegate authority for foreign areas to the Secretary of State. We believe that this

change in the location of the authority to set travel per diem rates is logical and proper. Travel per diem rates for foreign areas are now set by the Director of the Bureau of the Budget on the basis of data collected by the Department of State as part of its responsibility for establishing cost of living allowances for all Federal civilian employees in foreign areas. Although cost of living allowances are approved and promulgated by the Department in its standardized regulations, the foreign travel per diem rates, because of the present wording of the law, must be transmitted to the Bureau of the Budget to be promulgated separately by it. Two systems and two regulation issuances are involved. The change accomplished by the proposed amendment will enable rates to be established more promptly and at less cost than at present.

The second amendment desired by the Department is to extend to travel in foreign areas the privilege of paying, in unusual circumstances, actual expenses of travel instead of the regular per diem. The arguments which justify the payment of actual expenses in the case of domestic travel apply equally well in considering travel performed abroad. Because per diem rates in foreign areas vary from as low as \$6 to as much as \$25, it is suggested that the ceiling on actual expense payment be \$10 more than the regularly established maximum per diem rate.

The third amendment suggested by the Department corrects one of those minor inconsistencies in the law that has arisen because of the passage of time. There are, as the committee knows, many advisory groups that serve the Government without compensation. The travel per diem for three of these groups is set by statutes dating back to 1946 and 1948 at \$10 per day. At the time this rate was set it was in excess of the then maximum per diem. It sometimes happens that consultants at the same meeting and faced with the same expenses must be paid different travel per diems because they have been appointed under different statutes. Sometimes the same individual will receive the regular per diem on one of his consultations with the Government and receive the \$10 rate at the time of another consultation. If the suggested amendments are adopted for the statutes involved these consultants will be compensated in the same amounts as other consultants of the Government, namely, the regularly established travel per diem.

I shall be happy to elaborate on any of these amendments if the committee desires.

Mrs. GRANAHAN. In other words, in 1948 the \$10 was established—the \$10 per day?

Mr. HULL. That is correct.

Mrs. GRANAHAN. And that has never been changed?

Mr. HULL. That is correct.

Mrs. GRANAHAN. Well, it is time, I think.

Mr. HULL. Thank you, Mrs. Granahan.

Mrs. GRANAHAN. I think my bill would take care of that very well.

Mr. MULLINS. Not without amendment.

Mrs. GRANAHAN. Of course.

Mr. HULL. Amended as suggested by Brooks Hays in his letter to the committee.

Mrs. GRANAHAN. What do you think of that, Mr. Chairman?

Chairman DAWSON. I am for paying the servants of the Government for their expenses incurred in travel.

I think this should have been changed long ago, in the case of that foreign travel.

Mr. LANIGAN. Well, I was just wondering if the State Department had any figures on what it cost their employees to travel within the United States, where they have to stay in cities like New York and some other places. Have you made any studies of that?

Mr. HULL. No, sir. We have made no such studies. Our data that I have available pertain exclusively to travel costs in foreign countries. My office collects, in the course of its responsibility in setting cost-of-living allowances, the hotel room rates and restaurant costs in each foreign country, and from that data, we know pretty well what it costs to travel in each country, and we set—rather, recommend, to the Bureau of the Budget at present, the appropriate per diem rate. These range from a low of \$6, believe it or not, to as high as, I think, \$25, which is the highest we have today.

Mr. LANIGAN. Then you don't have any figures that you have submitted to the Bureau of the Budget in the course of its study, of costs of travel within the United States?

Mr. HULL. I believe we were not asked to participate in that; if we were, it was not brought to my attention.

Mr. MULLINS. My understanding is that the State Department does relatively little travel within the United States.

Mr. HULL. That is correct.

Mr. MULLINS. We took agencies that did much more travel: The Department of Health, Education, and Welfare; the Commerce Department—am I correct?

Mr. WALSH. Yes.

Mr. MULLINS. We have a list of the agencies that did participate in the examination.

Chairman DAWSON. When they return, they would probably stay in New York, Washington, or Chicago. They would not be traveling around in the rural areas here and their expenses would be more than the amount that you recommend. It would not cover those expenses, because yours is an average, drawn from all circumstances.

Now, you know that it costs more to live in the large cities, and I think they ought to be compensated when they are required to travel in those large cities. I think we ought to vote an amount that would enable them to be covered for the amount of money that it costs them to live and if the departments or the agencies wish to make any adjustment beneath that, they can do it, but I think we should establish a ceiling that would cover both the employees here, and the employees there.

I think it ought to be the ceiling, which we establish; then leave it up to the different agencies to be honest with their Government, and to establish the travel per diem, and so on.

I don't think our Government is so poor, that we want any man that is working in the Government, not to bear his actual expenses, as it is determined by reasonable tests, and I do not believe your test is a reasonable one, because you admit that some of the expenses are higher.

**STATEMENT OF EDWARD T. JOHNSON, ASSOCIATE DIRECTOR,  
DEFENSE ACCOUNTING AND AUDITING DIVISION, GENERAL  
ACCOUNTING OFFICE**

Mr. JOHNSON. Mr. Chairman, Congresswoman Granahan, I feel that I may be in a representative position regarding the experience of the normal traveler on official business because, as indicated by the title which Mr. Friend gave you, I am engaged in pursuing the audit, investigative, and accounting work of the General Accounting Office in the Defense Establishment.

Since I work out of Washington, a large part of my travel is involved in dealing with our regional offices, and branch offices throughout the country and in Europe, and in the Far East.

I have not had the opportunity to travel in the Far East. I have been to Europe. I have traveled fairly extensively in this country. I would like to speak in reference to my more recent experiences during the last calendar year, and thus far, this year.

I spent approximately 61 days in travel status in 1960. Of this, about 20 was oversea, and I will reserve that until later.

In this country, I have visited cities of the type of New York, Philadelphia, Atlanta, Detroit, Chicago, Los Angeles, Dallas, and also smaller cities such as Huntsville, Ala., Joliet, Ill., and the like.

Basically, the testimony which has been offered concerning the cost of hotel accommodations, is in my opinion, quite sound, although as probably befits an auditor, I tend a little bit on the conservative side.

I will give an example, a single trip experience.

Our trips necessarily, because of limitations on time, must be made rather speedily. We try to accommodate our needs to visit a section of the country so as to strike three or four or possibly more regional offices on the same trip.

A typical short trip would be to Detroit, Chicago, and Joliet over a period of from 6 to 10 days. In Detroit, we customarily use the hotel known as Henrose. It is a combination of a man named Henry and his wife named Rose.

It is a typical, average commercial class hotel and we can get a satisfactory room there for about \$7 to \$7.50. This hotel is approximately 10 blocks from the office. I happened to visit there on the date of our first big snowstorm last December, and it was 7 degrees above zero, with a 45-mile wind blowing and no possible way of getting public transportation to get to the office. So I walked and it was quite uncomfortable. Otherwise, I could pay for a cab. Here is one of the items which has not been mentioned in the testimony concerning these incidentals.

In Chicago, incidentally, I am sure you are familiar with the Midland Hotel—its location, which is not conducive to going out late at night—and the difficulties of getting from that location across the river and down to the Customs House where our office is located. Walking is recognized as the ordinary means of getting there. It is also quite uncomfortable when it is 3 degrees above zero.

Another item which is important in connection with the hotel accommodations, and particularly where it is necessary to move frequently and rapidly, is the need to check out of the hotel the morning of your last day there, and you then take your bag down to the lobby,

and surrender it to a bandit who will accept a tip; and then you come back after work in the night and pick it up and another tip is expected. And, incidentally, I should say that the 10 cents tip, I believe, went out with the nickel cigar. It just is not done any more.

I am not at all embarrassed with giving an average tip. I don't believe in tipping 50 cents if a quarter will do. We just don't have that kind of money in the Government employees' area. So that for hotel accommodations, although I have found that we can, in an average second rate hotel, get accommodations for \$7 to \$7.50—the Atlantan in Atlanta, Ga., is only five blocks down from the Henry Grady and it is a nice, commercial hotel—it may be quite a ways from there to the office unless you take a cab.

On the other hand, if you go to a place like Joliet, Ill., the Louis Joliet is a nice, smalltown hotel, where you can get a decent room for \$6.50. The John Erskine in Huntsville is all right; or the various motels. On the other hand, if you go to a place like Fayetteville, in North Carolina, which is contiguous to Fort Bragg, the motel will cost you \$7.50.

I would now like to move over a little bit into the area of the cost of food. I happen to be an ulcer sufferer along with a lot of others, so I don't eat very fancy, but I can only characterize a rate of \$5.45 a day, in the terms that Congresswoman Granahan used, that it just cannot be done, at least, to keep your stomach in any kind of shape.

The traditional method is to eat in the coffee shop for breakfast. In the Henrose, which is strictly a second-rate hotel, the breakfast which I got costs me \$1.55, plus tip. Well, it sort of sickened me so the next day, I went over to the Sheraton-Cadillac and ate, and it actually cost me 10 cents less, plus tip. The average will run you, for a decent breakfast, \$1.25 to \$1.50 at the best, plus tip.

Lunch, you can eat in the Forum Cafeteria which is all right in Chicago, as you well know, and maybe you can eat a pretty good lunch for a dollar but if you eat in a cafeteria for about 3 days, you are finished with eating in cafeterias for a while.

Dinner, you just literally cannot get a decent meal in a decent restaurant in a big city for under \$3.25 to \$3.50, plus tip. These are not 10 cent tips.

We travel a great deal by air and of course, it is somewhat of a luxury, perhaps, to some people, if you take extra insurance out. I have had two occasions where I have not—where I neglected to take insurance out and I have traveled on numerous occasions on military planes, and it gives you a sinking feeling to be flying over those mountains without any \$60,000 worth of insurance behind you.

I have an adequate amount of insurance, but it is uncomfortable, particularly if you are in one of the old jobs, like I flew from Huntsville over to Atlanta a few months ago.

I would like to also address myself to the question of laundry, clothes cleaning, packing and repacking a suit and having it in decent shape to deal with the type of people that we must deal with, in contractor's plants, and in the military establishments. It requires a considerable investment in hotel cleaning and personal services which are not cheap.

Now, this is the gist of, I believe, the feeling of most of our professional staff travelers. The only time that we feel that we can

break even is when we go to an isolated place and perhaps will stay in bachelors officers quarters, which we intentionally attempt to avoid, because this tends to go against the independence of our audit approach. But it will cost you even in those situations, if you go to a place like the Desert Training Center in California; Barstow, Calif., has some very nice motels, but they want \$8, \$8.50 and \$9 a day. If you want a decent, but second-rate or third-rate motel, you can get a room for \$6.50, which I did.

Moving to the statement which Mr. Friend made, that we do not have data regarding the costs of personally owned automobiles, I have had occasion to use mine, and I have used those of our people in the field extensively, to get from Temple, Tex., to Fort Hood. Killeen, Tex., is closer to Fort Hood—adjacent to it—but they already have tenants in the rooms, you might say, so we don't like to stay there.

I find most of our people don't have compact cars. I personally have one. I don't believe they can buy cars for \$2,000, on the average, and I just wonder what the depreciation would be, if we took into account the type of automobile which is going to be used. As a cost accountant, I also wonder whether even though the greatest impact of depreciation is in the first year, and not all cars are going to be used during the first year, nevertheless, that cost has been incurred, and it would only seem fair from a cost-accounting standpoint, that if the rate is not allowed in full the first year, it should be amortized over the remaining years of life, which would tend to adjust the rate.

Now, this is only my personal feeling regarding the automobiles.

Mr. Chairman, Congresswoman Granahan, these are all of the comments I would like to make about this business of travel. I believe that the practicality and feasibility of administering the per diem as well as the mileage allowance, is quite obvious, since the decision and the facts are all available before the travel is performed, as to the points at which the traveler is going to be located or the type of automobile which he is going to utilize, and it is perfectly feasible to adjust to those on an individual case basis. We do it.

I further feel that the influence toward economy, of the relatively limited appropriations for travel, is something which would tend to require that the responsible administrator apply this reasonably.

That is all I have, subject to your questions, sir.

Chairman DAWSON. I have no question.

I am going to ask your companion, Mr. Simmons, to say something.

#### STATEMENT OF HERSCHEL J. SIMMONS, CHIEF, BUDGET AND FINANCE BRANCH, OFFICE OF ADMINISTRATIVE SERVICES, GENERAL ACCOUNTING OFFICE

Mr. SIMMONS. I have nothing to add, Mr. Chairman, except that in the General Accounting Office, we will administer travel on the basis of the ceiling and pay the per diem in an equitable way, depending on the pointsto which the man is to travel.

Chairman DAWSON. On with the conference.

Mrs. GRANAHAN. Mr. Johnson, in your staying at these hotels, they are further away from your district office, I take it, and you travel by plane—you have to use taxis.

Mr. JOHNSON. To get from the hotel to the place of business in a city, it is normally, in decent weather, possible to walk but in inclement weather, it is not, and the public transportation is not such as to permit it in a great many cases.

Mrs. GRANAHAN. What would you think taxis would amount to? You are very frugal, I think, in walking so far.

Mr. JOHNSON. It is good for you.

Mrs. GRANAHAN. It is good for you, of course. The normal businessman will take a taxi.

Mr. JOHNSON. He will.

Mrs. GRANAHAN. The normal Government employee will take a taxi, and I don't blame him.

Mr. JOHNSON. And the normal Government employee will bend every effort to avoid having to spend his own money to take a taxi, unless he is a very hearty individual and wants to walk around Chicago in the middle of December.

Mrs. GRANAHAN. I don't blame him for that.

What would you say taxis—if you took taxis—would amount to?

Mr. JOHNSON. I believe the one rate, the one morning I surrendered in Chicago, I believe it cost 75 cents plus a tip, to go where I wanted. I did not take a taxi in Detroit. I could not find one.

The average would run about 75 cents plus tip.

Mrs. GRANAHAN. But the better hotels, the higher priced hotels, would be nearer your offices; is that correct?

Mr. JOHNSON. In some cases, yes. In the case of Dallas, the Adolphus is within working distance. The higher priced hotels are a little further in most cases—although in Detroit, the Henrose is 10 blocks from the office, and the Sheraton-Cadillac is right across the street.

Chairman DAWSON. Thank you very much.

Our next witness will be Mr. McCart.

#### STATEMENT OF JOHN McCART, REPRESENTING THE AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES

Mr. McCART. Mr. Chairman, thank you for arranging the hearing.

Mrs. Granahan, our deep appreciation for your introduction and support of H.R. 3279, and H.R. 5196 in the 86th Congress.

Chairman DAWSON. Would you like to have your statement in the record, and just make a statement?

Mr. McCART. Mr. Chairman, if it meets with your approval, we prepared a statement for the committee. I would like to have it included in the record, and if I may, I would like to read briefly, some excerpts from it.

The bill, H.R. 3279, sponsored by Representative Granahan, is designed to remove as much as possible that part of the cost of travel for the Government which to a varying degree is paid for by the individual Federal employee. It would provide a much-needed improvement in existing law, and as such has the full support of the American Federation of Government Employees.

Traveling for the Government in too many instances is costly for the individual Federal employee. Whether he makes frequent trips, or only occasionally leaves his official station, the amount he is allowed

for per diem expenses is insufficient to cover entirely the cost of hotel accommodations and meals. The employee who is required to use his own automobile for official business likewise does not receive sufficient reimbursement for the cost of its operation.

The situation is unjust. Persons who are employed by the Government should not be required to pay any of the expenses of travel which is part of their official duties. The extent of reimbursement provided in existing law is to a varying degree inadequate. The result is that Federal employees are subsidizing the Government.

The important fact about this situation is that the current rates of reimbursement were established in 1955—nearly 6 years ago. As in the case of salaries and other forms of compensation or reimbursement, the periodic increases provided by legislation have a tendency to lag behind the prices of commodities and services which for some years have been showing a steady increase. The bill would increase the maximum per diem allowance from \$12 to \$16. This increase can well be substantiated. Everyone who has traveled from time to time during the last 5 years knows from experience that the cost of hotel or motel accommodations has been increasing. Likewise, the cost of meals has been showing a steady advance.

When a similar bill by the same sponsor was the subject of hearings last year, data supplied by the Bureau of the Budget indicated an average cost of \$8 a day for hotel rooms located in 25 cities and the District of Columbia. Reports from one accounting firm state an average exceeding \$8 while a report from another accounting firm covering another group of 400 hotels supplied an average cost of slightly more than \$9 a day. There is no indication that the prices of hotel rooms have decreased during the last year. And if we accept even the \$8-a-day average quoted a year ago, it leaves the employee only \$4 with which to buy his meals, and pay for tips and other incidental expenses.

Surveys by accounting firm that investigated the cost of travel expenses last year indicated an average outlay of nearly \$6 a day for meals in a restaurant. In view of price increases during the last year, we can reasonably accept a current average of \$6. The American Automobile Association is presently recommending a daily allowance of \$6 for meals. Assuming that the average cost of a room is now about \$8.50, we arrive at an estimate of \$14.50 for room and meals. It has been indicated that an additional amount must be budgeted for incidental expenses, and \$2 has been recognized as a reasonable estimate for that purpose. Our total estimate would then come to \$16.50 a day.

In section 4, this bill authorizes payment for parking fees. Presently payment may be made for ferry fares, and bridge, road, and tunnel tolls. This provision is a logical addition to existing authority, because of the need for using private parking facilities while on official business.

The definition in the Government Travel Regulations of "per diem in lieu of subsistence expenses" includes—

all charges for meals, lodging, personal use of room during daytime, baths, all fees and tips to waiters, porters, baggagemen, bell boys, hotel maids, dining room stewards and others on vessels, hotel servants in foreign countries, telegrams and telephone calls reserving hotel accommodations, laundry, cleaning

and pressing of clothing, fans and fires in rooms, transportation between places of lodging or business places where meals are taken \* \* \*.

The regulations further provide that—

the term "lodging" does not include accommodations on airplanes, trains, or steamers, and these expenses are not subsistence expenses.

In determining the amount required for travel expenses, it must be recognized that in many instances the likelihood of a Government employee traveling to a high-cost area is greater than the possibility of going to a town or city where his per diem allowance will be adequate. It is usually true that the larger the city the more expensive will be the accommodations for the traveler. However, such high costs are not confined to large cities. The employee who makes a trip to a military installation may find that prices are equally as high in the nearest community. The same is true if he must travel to the area around a vacation resort.

The bill would also increase the rate per mile from 10 to 12 cents for an employee using his own automobile for official business. The rate for such use of a motorcycle would be increased from 6 to 8 cents. This increase likewise is justified.

Runzheimer & Co., a Chicago firm that maintains a service known as the Runzheimer Plan of Automobile Standard Allowances, has estimated the cost of operating a 1960 Chevrolet, 8-cylinder Bel Air four-door sedan at 12 cents a mile on the basis of annual mileage of 10,000 miles. This estimate allots 4 cents for the variable cost of gasoline, maintenance, and tires, and approximately \$800 a year for licenses and registration, insurance, and depreciation. The cost of these items included in the expense of operating an automobile has increased substantially since 10 cents was established as the per-mile allowance 5 years ago. With the exception of automobile tires which have shown a slight decrease of 2 percent, other costs of operation have increased as much as 32 percent since June 1955. The percentage increase for the various items are stated in the following tabulation:

	Percent
Automobile repairs-----	16
Registration -----	15
Insurance -----	32
Gasoline-----	12
Motor oil-----	17

There are other phases of this problem of travel cost which we desire to call to the attention of this committee. We have in mind not only the need for providing sufficient allowances for hotel rooms and meals, as well as for operating the employee's own automobile, but also certain conditions under which he is required to travel. These situations include the assignment of employees to other stations to which they must travel outside of their regular basic workweek of Monday through Friday. Travel is also frequently required on Saturdays, Sundays, and holidays, for which the employee receives no additional compensation.

It is a common requirement for custodial officers of the Prison Service and inspectors of the Immigration and Naturalization Service to transfer, from one point to another, prisoners or other persons detained for investigation. Veterans' Administration employees as

well as employees of the Public Health Service at times must accompany patients being transferred from one place to another. These employees are eligible to be compensated on an overtime basis while they are accompanying the patient. However, such additional compensation ends when they reach their destination and leave those they are accompanying.

It has been held by the Comptroller General that such employees may not be paid even straight-time compensation when the return trip is made on a Saturday, Sunday, or holiday. Contrariwise it has been held that such additional compensation may be paid to employees who are compensated under wage board authority.

The inspectors of the Meat Inspection Service likewise are frequently reassigned to other stations or sent there for relief purposes. This group of employees and others who are also required to travel outside regular duty hours are subjected to frequent inconvenience and hardship which frequently takes them away from home on Saturday or Sunday in order to reach their newly assigned official stations in time to report Monday morning. It may be objected that this inconvenience is part of the job, but the fact remains that it is required of some employees with no reimbursement, while the greater majority of employees are able to fulfill their official duties without such inconvenience. We believe that the Government should provide some alleviation in the form of at least straight-time compensation.

It is our belief that the provisions of the Granahan bill are sound and that the bill should be enacted at an early date, based on the continued upward trend of travel costs and the inequity of making it necessary for employees to pay part of their official travel expenses.

The issues seem to be two. One, the amount of the increase in the per diem rate and secondly, whether there will be an increase in the mileage rate and if so, how much.

So I would like to address our comments to those two points, Mr. Chairman.

First, as to the per diem.

When a similar bill by the same sponsor was the subject of hearings last year, data supplied by the Bureau of the Budget indicated an average cost of \$8 a day for hotel rooms located in 25 cities and the District of Columbia.

As to the parking fees, Mr. Chairman, I need only say that we, too, support that feature of the bill.

Now, as to the justification for the per diem increases, aside from the statistical data presented by various firms and by the Government agencies, I am sure the committee is aware that not all of the travel is done in larger cities, although the greater costs are normally incurred in the larger cities, but it is not unusual for a Federal employee to travel to resort areas for official business purposes. Nor is it unusual for them to travel to military areas, exclusively military areas, where the costs are higher in the surrounding community because the community depends largely upon the existence of a Military Establishment. So that the point is even in smaller communities, it is possible for Federal employees to incur more than normal every day living expenses.

Now, Mr. Chairman, as to the mileage allowance, we have the report of Runzheimer & Co. It seems clear, Mr. Chairman, that there is sound justification for increasing the mileage allowance and I think

the chart presented by our friends from the Bureau of the Budget demonstrates this very clearly.

We can talk about the explanation, the components of these graphs or these bars, but the fact remains, when you look at 1960, the total cost average is 11.98 cents a mile, which is roughly the figure that is included in Mrs. Granahan's bill.

Mr. Chairman, there are just two points that I would like to ask the committee's consideration of in conjunction with the legislation now before the subcommittee. These are matters that may not be found feasible to have included in the legislation, but I do think that they are something that the committee might take cognizance of and request the Federal agencies to try to develop some kind of improved procedures. Not infrequently, Federal employees who are responsible for prisoners and patients of various kinds, are required to transport these people from one place to another. While the patient or the prisoner or the other person is in their custody or in their care, the classified employees are entitled to overtime pay, if they work overtime.

However, once having deposited the individual in their care some place else, and then returning to their place of work, the employees are entitled to no reimbursement beyond their normal traveling expenses, and their annual salaries for any time that they may be required to spend away from home, as part of their official business.

There is one other point that I would like to direct to the attention of the subcommittee.

Some years ago, the Comptroller General issued a decision authorizing Federal agencies to pay overtime to wage board blue collar employees, while in a travel status. The Comptroller General said, if this is the prevailing practice in private industry, the agencies are permitted to issue instructions to this effect.

The decision also pointed out, however, that the same reasoning could not apply in the case of the classified white collar workers because their benefits in this field, are stipulated by law and since the law did not allow this kind of reimbursement to them, there would be no authority for the agencies to make such payments.

These are two of the problems, Mr. Chairman, we would like to ask that the committee give attention to, in conjunction with this consideration of the legislation, even though they may not find it practical to include it as part of the bill that may be reported.

Mr. Chairman, if I may, I would like one more moment of indulgence.

Mr. John F. O'Connor, legislative director of the United Federation of Post Office Clerks, is scheduled to appear before the committee later. Mr. O'Connor is now engaged in a convention looking toward a merger of several organizations and has asked that I present his statement, and ask you, Mr. Chairman, that it be included in the record.

Mr. Chairman, that concludes our statement. I certainly appreciate, once more, your arranging the hearing and your sympathetic hearing of our presentations.

Chairman DAWSON. No questions.

**STATEMENT OF JOHN F. O'CONNOR, LEGISLATIVE DIRECTOR,  
UNITED FEDERATION OF POST OFFICE CLERKS**

Mr. O'CONNOR. Mr. Chairman and members of the committee, for the purpose of the record my name is John F. O'Connor, and I am legislative director of the United Federation of Post Office Clerks. Within recent days, our organization has been in merger convention as has the United National Association of Post Office Craftsmen, as well as the National Postal Transport Association. All of these organizations have agreed to merge and as a result of this action we will soon be known as the United Federation of Postal Clerks, at which time we will have all the post office clerks in one organization.

I certainly desire to compliment the chairman on the prompt scheduling of hearings on H.R. 3279, introduced by the Honorable Kathryn Granahan of Pennsylvania. We also desire to express our appreciation to Congresswoman Granahan on her sympathetic interest in introducing this legislation. I have had the opportunity of reading the hearing reports on H.R. 5196, introduced in the 86th Congress by Mrs. Granahan, and it would be my opinion that the necessity for present legislation providing for increases in per diem, mileage, and the paying of necessary parking fees, was proven quite clearly during those hearings.

A great deal of technical information was introduced into the record by the Bureau of the Budget, Congresswoman Granahan, as well as representatives of various organizations of Federal employees which quite definitely indicated that the increases sought at that time were, without question, justified, and the minimum which the Government should pay to employees assigned to duties necessitating their traveling in their representation of the Government.

It is true not many post office clerks that I have the honor to represent would be affected by this legislation. We do have a sympathetic interest in the welfare of the other Federal employees who may be assigned to duties necessitating the expenditure of their funds.

In my work as legislative director of the United Federation of Post Office Clerks, it has been my duty as an officer to do much traveling throughout the country in recent years, and I have found that there is some variance in the price that one may have to pay for hotel rooms. It depends largely upon the size of the city, and its location in the country. It is not my practice to seek high-class hotel accommodations, but rather to attempt to secure moderately priced and substantial accommodations. I have found that quite generally the cost of these accommodations would run from about \$8 per day to \$11.50 per day for a single. To a marked degree I would say that all of these accommodations have cost my organization, in the majority of instances, in excess of \$10 per day. In connection with this, I would like to draw the attention of the committee to the fact that when traveling in areas that are considered popular with tourists, the cost of a room in many instances ran up to \$16 and \$17 a day for a single. Of course these are exceptions, but on occasion are necessities. It is a conceded fact that hotel dining rooms are, as a rule, pricewise much higher than the average restaurant. However, hotel dining rooms, in most instances, particularly where an individual is not altogether familiar with the city, are safer places to dine. There is no question in my

mind that the cost of food while traveling is somewhere between \$5 and \$7 a day, and that is not based on what might be considered the best in the way of restaurants, but is based on a reasonable desire to eat in a clean and decent restaurant and enjoy sanitary conditions.

The combination of the hotel bills and the food requirements of an individual traveling today, without question, will in most instances exceed the cost provided in this legislation, and the figure of \$16 a day allowance would be most reasonable.

I am a member of the American Automobile Association, and based on information which that association has furnished me, as a member, it is indicated that the average cost of operating an automobile 10,000 miles a year would cost an individual 12 cents per mile.

As to the amendment to section 4, of the Travel Expense Act of 1949, providing for the payment of actual cost of parking fees, there is no question but this is a necessity. Parking fees, in altogether too many instances can be an extreme burden on the individuals driving an automobile, and particularly so for employees assigned to duties by the Federal Government necessitating his driving his own automobile.

The committee in the 86th Congress exhibited a very fair and reasonable interest in this legislation and I urge that the committee continue this sympathetic and humanitarian approach to a problem that exists, and that they favorably report H.R. 3279 without amendment. I believe it is worthwhile legislation, good for the Government and the employees.

Thank you for the opportunity of presenting our viewpoint concerning this legislation.

Chairman DAWSON. Mr. Langan, Director of Government Employees' Council.

Mr. LANGAN. I have just a short statement here, almost two pages.

#### **STATEMENT OF JAMES K. LANGAN, OPERATIONS DIRECTOR, GOVERNMENT EMPLOYEES' COUNCIL, AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS**

Mr. LANGAN. Mr. Chairman and members of the committee, by way of introduction my name is James K. Langan, operations director of the Government Employes' Council, AFL-CIO. The Council is a Federation of 25 National and International Unions whose membership, in whole or in part, are Federal and postal employees, with membership in excess of one-half million.

We wish to express our appreciation and thanks to Mrs. Granahan for the introduction of H.R. 3279 and to you, Mr. Chairman, for your prompt action in scheduling hearings on this meritorious legislation.

A similar bill introduced in the 86th Congress, approved by this committee, passed by the House of Representatives, and then by the the Senate in slightly different form. Therefore, in order to continue to get expeditious action from this committee in the interest of all concerned I will keep my presentation as brief as possible.

Hotel accommodations are continuing to rise in price and the usual Government traveling employee requires single occupancy which is the highest priced classification unit for accommodations. A single room of medium standards will cost from \$10 to \$12 per day and under this bill would leave from \$4 to \$6 per day for meals, tips,

service charges and other traveling incidentals. No one could successfully argue that this would be excessive. Additionally the Internal Revenue in its regulations advises that they will accept \$15 per day travel expense without question. The Internal Revenue also allows 12½ cents per mile for expenses of private automobile travel. This figure is substantiated by the most recent bulletin of the American Automobile Association which published a table in a pamphlet entitled "Your Driving Costs" advising that to operate a car under 18,000 miles annually will cost 12 cents per mile with the unit cost increasing as the mileage of the car decreases. Most Government personnel using a private car travel less than 18,000 miles.

H.R. 3279 also provides an increase of per diem to certain employees in special circumstances from \$25 to \$30 per day which is a reasonable increase and should be adopted.

As previously stated both Houses of Congress passed remedial legislation in the 86th Congress but the measure failed to go to the President because of the need for a conference on some of the differences as finally passed by each House. I am certain that a compromise would have been reached if there had been more time between the passage by both Houses of Congress and adjournment of Congress.

I trust that this committee will speedily approve H.R. 3279, sending it to the House for passage, so that Federal employees may receive a too long-deferred adjustment.

I think I would like to comment on the statements of some of the witnesses here, just point to several things here.

I believe one item that might stand a little more coverage is this allowance of a motor vehicle. In our research, we got information from the American Automobile Association, which is about the leading association in this country, representing owners of automobiles, and their latest figures, which are available, are not up-to-date. They are in the process of getting additional information and undoubtedly, it will be higher than was provided in here.

You point out that the most recent bulletin of the American Automobile Association, in their pamphlet, advises that to operate a car under 18,000 miles annually—that is considerably less than what the average Government employee operates—it will cost 12 cents per mile, with the unit cost increasing as mileage of the car decreases.

In other words, if less than 18,000 miles, then it will cost more than 12 cents per mile to operate.

I think that is very important, and I believe that the costs per mile, or the allowance of the Government, should be even greater than 12 cents but the provisions of this bill generally are acceptable to the members of the Government Employees Council and we would like to see it enacted into law.

Mrs. Granahan asked a question of one of the Government representatives with reference to receipts. She said, "Are not receipts supposed to be furnished by Government employees?"

In my own experience, with the Post Office Department, I know that they do require substantiation when you submit an expense account, and even though your expense account, or the expenses that you incurred, legitimate expenses, which you substantiated by receipts, are greater than the allowance, you only get the maximum allowed by the Department which is \$12 per day.

In addition to that safeguard, the General Accounting Office—and let me say I have been considerably heartened by the testimony given by the General Accounting Office on this because usually, they sort of clip our wings with reference to being liberal. They laid down certain regulations, one of them is that the day is divided into four equal parts, 6 hours each, and in that way, there is nobody getting a full day's allowance who does not actually—who is not actually on a 24-hour period, under control of his superior.

In other words, you cannot spend just the day time and expect to get a full day's allowance. That is not possible.

So I think there are sufficient safeguards now, in the Government regulations, to see that nobody is going to take advantage of this act.

It is not extremely liberal anyhow. It just about takes care of what you might call normal, average and it does not include also the fact that for the past two decades we have been in a state of inflation, and it does not seem it is going to stop right now.

In other words, costs have been rising all the time. Whatever bill is recommended by this committee and approved by the Congress or enacted into law, it will be out of date the day it is signed, and that has been our experience all the time. So I cannot see much sense of going back to the Bureau of the Budget recommendation for \$15.

Chairman DAWSON. The Congress will still be here. You can come back.

Mr. LANGAN. I know that. You agree with me, Mr. Chairman, that is the experience.

Chairman DAWSON. You are right.

Mr. LANGAN. It is one of those things where we act after-the-fact, rather than before.

Thank you.

Chairman DAWSON. Our next and last witness will be John Brady, chairman of the committee on legislation, of the National Association of Internal Revenue Employees.

#### **STATEMENT OF JOHN G. BRADY, LEGISLATION CHAIRMAN, NATIONAL ASSOCIATION OF INTERNAL REVENUE EMPLOYEES**

Mr. BRADY. Mr. Chairman and members of the subcommittee, I am John G. Brady, chairman of the legislation committee of the National Association of Internal Revenue Employees. Our office is located at 711 14th Street NW., Washington, D.C. Our association of over 24,000 members strongly urges and recommends the enactment of this bill H.R. 3279 to increase per diem and mileage allowance for Federal employees. This bill which is sponsored by Representative Granahan represents one of the necessary improvements to existing law and it is hoped it can be favorably considered and enacted during the present session of Congress.

It is common experience of Federal employees that traveling for the Government is costly to the individual employee. It is the purpose of this bill to make travel on public business less costly. It should entail no personal expense so far as essential needs of the traveler are concerned. He should be assured food and lodgings which are in every way satisfactory and in keeping with his status as a representative of this great Government of ours.

I have evidence from our traveling special agents, revenue agents and revenue officers stating that motel and hotel rates are averaging from \$6.50 to \$9, and that food costs are still very high.

I received a report from a special agent a couple of months ago and he stated he was detailed to Chicago, Ill., on official emergencies from time to time, and I quote from his report:

I was told that I was to stay over night. I tried to get a room at several hotels in the Loop. The only rooms available started at \$12.50, which I had to take. I drove my own car and that cost \$3.50 each day to park. I was away from P.O.D. from noon one day til 3 p.m. next day. Expenses and reimbursement as follows:

Expenses :

Room	\$12.50
1st day parking	3.50
2d day parking	3.50
3 meals and tips	7.50
Hotel tip	.50
Total expense	<u>27.50</u>

Reimbursement :

1st day	12.00
2d day	2.75
Total	<u>14.75</u>
Total loss	<u>\$12.75</u>

Internal Revenue Service will allow to its employees \$12 per diem only where the place of lodging exceeds \$6 a day. If the lodging is less than \$6 the per diem is \$11 per day.

#### MILEAGE ALLOWANCE

I have evidence from our employees throughout United States showing mileage expense cost of their automobile's use for business as follows : 0.095 to 12 cents per mile.

#### CONCLUSION

We all realize that it does not mean that Federal employees will receive the maximum outlined in this bill, because it is up to the agency heads, to set the figure in keeping with conditions and the place where the employee is to travel. So we do not think that this bill is liberal enough in its maximum because we are of the opinion that in certain sections of the country employees will continue to lose money, even though they receive the maximum amount when they are on Government official business.

Again I thank you for your interest and I appreciate the opportunity of appearing and endorsing this legislation.

I would like to introduce my friend and associate, Mr. Joseph Snead, from the Bureau, from Washington, D.C. I am from Richmond, Va.

For the sake of the record, both of us are on annual leave.

Mr. Chairman, I will make a comment on page 3 of the statement I have presented.

I believe Mr. Anderson asked a question regarding per diem.

The Internal Revenue Service will allow to its employees, \$12 per diem only where the place of lodging exceeds \$6 a day and if the lodging is less than \$6, the per diem is \$11 per day.

I am going to make a recommendation very shortly to our Bureau.

No. 1: That they pay our hotel plus the tip and give us \$6 cash for that day.

Now, what I mean, I would like to have us stay in a good hotel. I would like to have the agents have very good food, and I have the \$6 broken down, \$1 for the breakfast; \$1.25 for the lunch, and \$2.95 for the dinner, and I have an 80-cent tip in there. That is a total of \$6.

I would like to make a suggestion—which I will—to our people, that if they would pay our hotel and tip, plus the \$6 in cash, that is my recommendation.

Another thing, you notice that I have evidence for everything I have stated in this brief, regarding the mileage, and I have talked to all our people throughout the United States.

As to the 0.095 to 0.12 per mile, I have a neighbor that has charge of all the automobiles for the light company in Richmond—one of the largest ones there. He tells me last Sunday, when we were out there cutting grass, that it costs 13 cents per mile to operate all of their automobiles.

Mr. Chairman, I believe that is my conclusion here.

Chairman DAWSON. Thank you very much.

Mr. BRADY. I have evidence for all of my information.

Chairman DAWSON. Thank you very much. Your statement will be put in the record.

Does anyone else have any remarks?

Mr. GIBSON. I would like to submit a statement for the record.

**STATEMENT OF EVERETT G. GIBSON, LEGISLATIVE DIRECTOR,  
NATIONAL FEDERATION OF POST OFFICE MOTOR VEHICLE EM-  
PLOYEES, AMERICAN FEDERATION OF LABOR AND CONGRESS OF  
INDUSTRIAL ORGANIZATIONS**

Mr. GIBSON. Mr. Chairman and members of the subcommittee, my name is Everett G. Gibson, I am the legislative director for the National Federation of Post Office Motor Vehicle Employees, with offices at 412 Fifth Street NW., Washington, D.C.

We are sincerely grateful for this opportunity to appear before this committee today, in support of H.R. 3279, which will provide the increase of the per diem allowance for employees of the Federal Government, while traveling on official business. The present \$12 per day is not sufficient to pay for the needs of an employee while away from home on official business and this bill, H.R. 3279, will increase this amount to \$16 per day. The additional increases contained in this bill are most realistic with the increased costs of today and it is for that reason that we wholeheartedly support H.R. 3279.

Mr. Chairman, on behalf of the organization which I have the honor of representing, I want to thank you and the members for allowing me to testify before you today. We sincerely hope that your committee will report H.R. 3279 out of your committee and that it will be enacted into law during this session of Congress. I thank you.

Mr. HENDERSON. I would like to submit a statement for the record from: Kenneth P. Folsom, recording secretary, Policemen's Association of the District of Columbia; the National Society of Federal Engineers, Scientists and Allied Professionals; the National Customs Service Association; the National Association of Post Office and General Services Maintenance Employees; and the National Federation of Federal Employees.

Chairman DAWSON. They will be filed—put in the record.

(The material referred to follows:)

POLICEMEN'S ASSOCIATION OF THE DISTRICT OF COLUMBIA,  
*Washington, D.C., March 9, 1961.*

CHAIRMAN, COMMITTEE ON GOVERNMENT OPERATIONS,  
*House of Representatives, Washington, D.C.*

DEAR SIR: The members of the Policemen's Association of the District of Columbia, at their regular meeting on February 28, 1961, voted to endorse the bill H.R. 3279 to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes.

The association respectfully requests that record be made of its endorsement of this proposed legislation.

Yours truly,

KENNETH P. FOLSOM,  
*Recording Secretary.*

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THE NATIONAL SOCIETY OF FEDERAL ENGINEERS,  
SCIENTISTS AND ALLIED PROFESSIONALS,  
*Washington, D.C., April 12, 1961.*

Re H.R. 3279.

Congressman DAWSON,  
*House Government Operations Subcommittee,  
House Office Building, Washington, D.C.*

GENTLEMEN: The bill using the word "Maximum" renders this legislation useless, and we trust your committee will eliminate the word "Maximum."

To make this a factual figure will improve the situation but as now with "a maximum," we find that most installations are in no way realistic. Our check on operations show in many installations the allowable rate is 8 cents per mile or less and Federal employees are forced to use Government-owned chauffeur-driven motor cars, if possible, otherwise absorb the difference in costs. This is a much great cost to the Government. (This is a hidden cost at most installations.)

One reliable publication on auto cost per mile is the AAA. They show cost of 19 cents per mile on the 6-cylinder Ford, Chevrolet, and Plymouth.

All this can be corrected by making the law read "\$16 per day, 12 cents per mile." Just a simple flat statement.

Yours truly,

*EDWARD G. BATTY, P.E.*

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STATEMENT OF ALFRED F. BEITER, NATIONAL PRESIDENT, NATIONAL CUSTOMS SERVICE ASSOCIATION

Mr. Chairman and members of the committee, you have already heard so many witnesses clearly speak their minds in favor of immediate legislation to adequately increase the present \$12 a day maximum travel allowance to \$16, and increase the auto mileage to 12 cents that what I might add would in the main only be accumulative to what they have already reasoned with you about.

I favor a substantial, decent travel allowance increase—immediately. And, I favor an increase in auto mileage allowance from 10 cents to 12 cents.

From information I have it would appear that increases are warranted based on a recent audit made at Rochester, N.Y., by field auditors in the Customs Service.

The hotel rates, etc., for Rochester are considered to be average for other continental U.S. cities in the New York Comptroller District.

The following expenses are based on the recent audit at Rochester:

Daily charges :

Hotel room	\$8.00-\$9.00
Meals :	
Dinner	3.50- 4.00
Lunch	1.25- 1.50
Breakfast	1.00
Weekly charges, per day	1.00- 1.15
Other incidentals	.50
Total	16.40-18.40

Weekly charges :

Cleaning/pressing	2.50
Laundry	2.50
Tips, room maid, bellboys, etc	3.00

Per week	8.00
Per day	1.15

MILEAGE

The following are the estimated expenses of operating an automobile in the New York comptroller district per mile :

Depreciation and insurance	\$0.06
Gas	.023
Oil and lubrications	.009
Repairs, tire wear, and general maintenance	.023

Per mile	.115
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In addition to the above, parking and storage charges while on a trip average \$1.50 per day.

I want to thank the chairman and members of the committee for this opportunity to appear before the committee.

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STATEMENT OF ROSS A. MESSER, LEGISLATIVE REPRESENTATIVE, NATIONAL ASSOCIATION OF POST OFFICE AND GENERAL SERVICES MAINTENANCE EMPLOYEES

Thank you, Mr. Chairman, and members of the committee, for the opportunity to appear before you today. I am Ross A. Messer, legislative representative of the National Association of Post Office and General Services Maintenance Employees.

I wish to take this opportunity to express our appreciation to Mrs. Granahan for introducing H.R. 3279, to increase the per diem allowances for Government employees traveling on official business. I also wish to thank you, Mr. Chairman, for your interest in this subject and for scheduling early hearings on this proposal.

Our association wholeheartedly endorses the provisions of H.R. 3279, increasing the per diem allowance from \$12 to \$16, the automotive allowance from 10 cents to 12 cents and paying the actual parking fees where travel is by Government car by Government people or private automobile.

Several years ago, the allowances were sufficient to cover the cost of travel and per diem. However, costs have increased over the past several years for those who are required to travel and in many instances, they were required to pay a portion of their per diem out of their own pocket. This is not a good situation from the employee's point of view, or from the Government's point of view. If an employce is to travel for the Government, the Government should stand the full expenses of his travel.

It is hoped that the committee will take favorable action and report the bill for House consideration at an early date.

I again wish to take this opportunity to thank you, Mr. Chairman, and members of the committee, for the privilege of appearing before you today.

**STATEMENT OF VAUX OWEN, PRESIDENT, NATIONAL FEDERATION OF FEDERAL EMPLOYEES**

Mr. Chairman and members of the committee, I am Vaux Owen, president of the National Federation of Federal Employees.

On behalf of our organization, I wish to express our strong support of H.R. 3279, legislation to increase the per diem and travel allowances of employees of the Federal Government while traveling on official business.

Mr. Chairman, the urgent need for the enactment of this legislation is readily apparent and has been for a period of years.

In our view—and I am sure this is a position concurred in by this committee and all those who have given any study to the problem—favorable action on this legislation is long overdue.

The present maximum rate for mileage is 10 cents a mile and the maximum for per diem is \$12 a day. In many cases of official travel, Federal employees do not even receive these modest allowances.

But whether or not they receive the maximum, it is a fact that in almost every instance of official travel the allowances are insufficient to cover out-of-pocket expenses. This means that virtually all travel undertaken by Federal employees on official assignments necessitates use of their already limited personal funds.

Such a situation obviously is without equity insofar as the employee is concerned and is indefensible as a personnel practice on the part of the Federal Government of the United States.

I therefore urge the committee to take prompt and favorable action on this proposed legislation. The allowances provided under this bill provide at least a measure of relief in a situation which has grown increasingly difficult for Federal employees as all costs have risen. Indeed, in view of the rise in costs which already has taken place, as well as the further increases which have been forecast by all qualified economic observers, the increases in allowances provided in this legislation are modest. They are, however, a much needed step in the right direction.

I appreciate the opportunity to present this statement and thank the chairman and the members of the committee for their interest and courtesy.

Chairman DAWSON. Are there any other questions to ask before we adjourn?

We have had a very good hearing this morning and we will take this matter under advisement.

**STATEMENT OF LAWRENCE JAMES, AIR FORCE, CIVIL SERVICE EMPLOYEE**

Mr. JAMES. I just want to ask two questions.

One, why, on travel—travel expenses—are we held to \$9 a day instead of the \$12. We are paid the mileage, yet we still have to stop in motels along the way, if we are traveling by car. I find that is a low amount, to try to get by on.

Chairman DAWSON. Maybe Mr. Mullins can tell you. Can you answer the question, Mr. Mullins?

Mr. MULLINS. Which agency?

Mr. JAMES. The Air Force.

Mr. MULLINS. I cannot answer your question specifically. You would have to get some representative here for us to answer that.

As I said earlier, each agency here has the authority to set a rate below the maximum, based upon the peculiar circumstances that exist with respect to travel for that agency. Some agencies have their people going to different parts of the country, and always, it is within the agency head's authority, to set a rate for some kind of travel, and another rate for another kind of travel.

Now, what the reasoning is in your case, I do not know.

Mr. JAMES. It is customarily on where they ordinarily give out, say, \$12 a day. In some cases, it has been altered. In other words, in some places, they give only \$10 a day, under circumstances; I don't know why. Whether they are running out of money or what the situation is, but this has been—I think it has been—a sore spot.

Another thing, on this meals we speak about, I find it very hard—in fact, I cannot eat on the sums which you people talked about today.

Thank you.

Chairman DAWSON. Thank you. We agree with you.

(A letter from Hon. Frank W. Boykin and a statement from the National Association of Postal Supervisors follow:)

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
*Washington, D.C., April 20, 1961.*

Hon. WILLIAM L. DAWSON,  
*Chairman, Executive and Legislative Reorganization Subcommittee, Committee  
on Government Operations, House of Representatives, Washington, D.C.*

MY DEAR COLLEAGUE: In connection with your hearings on H.R. 3279, I wish to submit the enclosed letter dated April 12, 1961, from Mr. John L. Moore, an attorney at law in Mobile, Ala., together with the menu from a restaurant in Mount Clemens, Mich., to which menu he refers in his letter.

I shall appreciate the consideration of the members of your subcommittee of the views expressed in Mr. Moore's letter concerning the per diem rates for employees of the Federal Government traveling on official business.

With every good wish, I am,

Sincerely yours,

FRANK W. BOYKIN,  
*Member of Congress.*

MOBILE, ALA., April 12, 1961.

Hon. FRANK W. BOYKIN,  
*U.S. Congressman,  
House Office Building, Washington, D.C.*

DEAR MR. BOYKIN: You will recall that I have corresponded with you recently concerning reduction in per diem rate of employees of Brookley Air Force Base established for TDY personnel reporting to Selfridge Air Force Base, Mich. You will recall that I advised that this per diem now amounts to only \$9 per day.

It is my understanding that on Thursday, March the 30th, two colonels from Brookley AFB and a Mr. Bush flew up to Selfridge to make a survey. I have been informed that from the time they checked out and returned was less than 30 minutes. It is obvious that if this trip was actually for the purpose of making a survey concerning per diem that no adequate survey could be made in such a short period of time. Insofar as the authorities at Brookley are concerned it is not known what facts, formula, or definition they used in establishing the per diem rate for the 102 Brookley Air Force Base personnel sent to Selfridge Air Force Base, Mich.; however, the Air Force Dictionary defines per diem as an allowance or amount of so much per day for either extraordinary expenses at a station or a temporary duty away from permanent duty station.

Let us emphasize to you that this matter is critical and urgent, because these men have been informed that any future decision on per diem would not be made retroactive. It is apparent that if these Brookley men are to be given any relief they must be given relief now.

I might add that I have been informed that Brookley Air Force Base men have been going to Selfridge for years and that they have always received \$12 per day up until this particular TDY. Mount Clemens is classed as a resort area and \$12 would be a fair price in the winter months but that in the summer months as prices really go up and that because of this per diem should go up to at least \$15 per day.

To give you some idea of the expense that these men from Brookley are incurring in Michigan, the Mount Clemens, Mich., area motel rates I have been informed are as follows:

AAA-recommended motels: Lakeview.  
Hotels: None.  
Restaurants: Kurz Alt Heidelberg.

Local motel winter rates:

Patnick	\$5.20
Riverfront	7.28
Royal	6.24
Admiral	5.20
Lakeview	6.24
Average rate	6.03

As you can see this leaves less than \$3 per day for food and all other expenses. To give you some idea as to the cost of food in this area I am enclosing, herewith, a menu from the Kurz Alt Heidelberg Restaurant, Mount Clemens, Mich., which, as I have stated above, is an AAA-recommended restaurant.

A letter in my file from a real estate company in Mount Clemens advises that housing is available in that city and surrounding area as follows:

	Per month
Furnished home	\$125 (This is a 3-bedroom brick ranch with basement within 10 years old.)
Motel apartments units	\$160 (Equipped for light housekeeping 1-bedroom units.)
Furnished apartments	\$100 (1- or 2-bedroom units.)

It is apparent from a quick glance at the above information regarding motels, housing, and restaurant food prices that the men from Brookley Field who are on a \$9 per diem basis just can't make ends meet.

I am very much disturbed about this rumor that in the event an adjustment is made and per diem is increased from \$9 a day to \$12 a day, it will not be made retroactive. I think this would be most unjust, unfair, and unequitable. This is the only group making as low as \$9 per day. From the information that you have been furnished it is apparent that this is unfair and it is apparent these men should receive \$12 per day.

I deem it important for you to know that there is a pay differential between Brookley and Selfridge and this is a considerable factor as there is quite a bit of difference.

Any help that you can give these men will be greatly appreciated.

With personal regards, I am,

Very truly yours,

JOHN L. MOORE

STATEMENT OF DANIEL JASPAK, LEGISLATIVE REPRESENTATIVE OF THE NATIONAL ASSOCIATION OF POSTAL SUPERVISORS

Mr. Chairman and members of the subcommittee of the Committee on Government Operations, my name is Daniel Jaspan. I am the legislative representative of the National Association of Postal Supervisors, composed of more than 25,000 supervisors in the postal field service. Our membership includes custodial and motor vehicle employees.

We are grateful to Mrs. Granahan for introducing H.R. 3279 and to the chairman for scheduling early hearings as well as for his sympathetic attitude toward the proposed legislation.

In considering this bill, it must be borne in mind that traveling on official business is not traveling for pleasure. Those who must go away from home on official business generally do not do so by choice, but because it is part of their jobs. There is no reason why they should be less comfortable or eat less when away from home than they do when enjoying the comforts of their homes and families. In other words, they should be entitled to first-class accommodations and first-class meals.

It is almost impossible to have first-class accommodations or enjoy first-class meals on the present \$12 per diem. Even the proposed \$16 would not permit

any extravagances. I know that, in my own travels on association business, there are many times when \$16 would cover only a part of my expenses.

In the post office, it is necessary to justify all expenses. Those traveling on official business must keep a record of all expenses for reimbursement and must have that record available at all times in case their expenditures are challenged. If they use less than the present \$12 maximum, they are reimbursed only for what they have spent. With such recordkeeping, it can be seen that there could be little, if any, padding of expenditures. They certainly would not become rich on the part of the proposed \$16 they might save.

With the expenses of driving an automobile constantly increasing, there should be no objection on the proposed increase of 2 cents per mile. This can be justified. It should also be borne in mind that there have been no revisions in the per diem or travel allowances since 1954. It is probable that there will be none for a number of years. Since the cost of living has been constantly increasing and since it appears that it will continue to increase, it is likely that even the \$16 per diem and 12 cents mileage allowance will be too little soon after enactment. In the meantime, employees are being caught in the squeeze and need immediate relief.

We were all disappointed that the Senate did not accept the House bill last year so that employees would not be forced to use their own money when traveling on official business. We hope that this subcommittee will act favorably and that both Houses will take immediate action so that there will be some relief from the constant pressure.

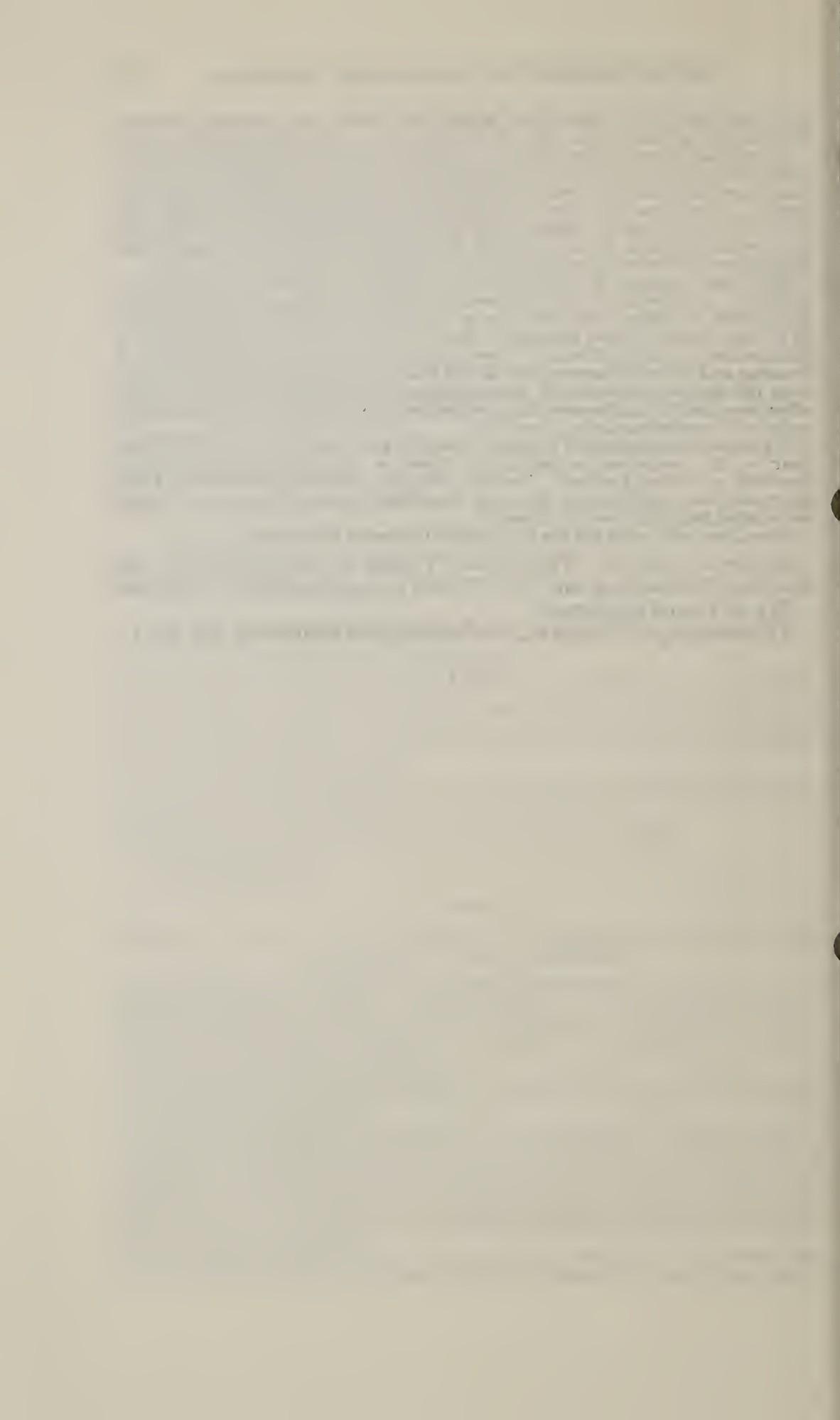
Thank you very much for the opportunity to present our views.

Chairman DAWSON. Thank you. I think we have had a very nice hearing this morning, and we will take the matter under advisement.

We will stand adjourned.

(Thereupon, at 12:25 p.m., the hearing was adjourned, sine die.)





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LEGISLATIVE HISTORY

Public Law 87-139  
H. R. 3279

TABLE OF CONTENTS

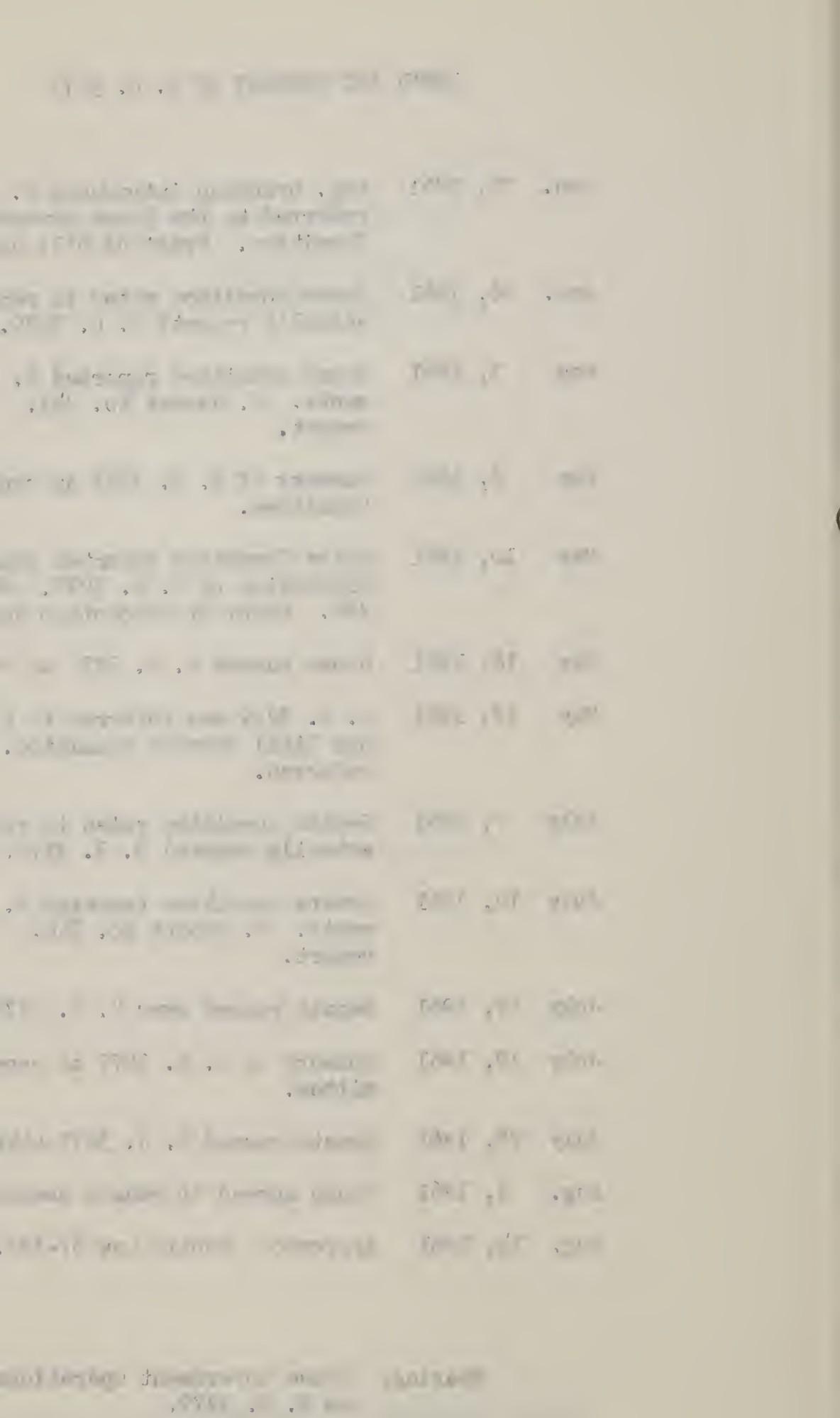
Index and summary of H. R. 3279 . . . . .	1
Digest of Public Law 87-139 . . . . .	2



## INDEX AND SUMMARY OF H. R. 3279

- Jan. 25, 1961 Rep. Granahan introduced H. R. 3279 which was referred to the House Government Operations Committee. Print of bill as introduced.
- Apr. 26, 1961 House committee voted to report (but did not actually report) H. R. 3279.
- May 3, 1961 House committee reported H. R. 3279 with amendments. H. Report No. 341. Print of bill and report.
- May 8, 1961 Summary of H. R. 3279 as reported by House Committee.
- May 10, 1961 Rules Committee reported resolution for the consideration of H. R. 3279. H. Res. 283, H. Rept. 385. Print of resolution and report.
- May 18, 1961 House passed H. R. 3279 as reported.
- May 19, 1961 H. R. 3279 was referred to the Senate Post Office and Civil Service Committee. Print of bill as referred.
- July 7, 1961 Senate committee voted to report (but did not actually report) H. R. 3279.
- July 14, 1961 Senate committee reported H. R. 3279 with amendments. S. Report No. 544. Print of bill and report.
- July 17, 1961 Senate passed over H. R. 3279.
- July 19, 1961 Summary of H. R. 3279 as reported by Senate committee.
- July 28, 1961 Senate passed H. R. 3279 with amendments.
- Aug. 3, 1961 House agreed to Senate amendments to H. R. 3279.
- Aug. 14, 1961 Approved: Public Law 87-139.

Hearing: House Government Operations Committee  
on H. R. 3279.



DIGEST OF PUBLIC LAW 87-139

FEDERAL PER DIEM TRAVEL ALLOWANCE INCREASES. Authorizes increases in the maximum rates of per diem allowance for Federal employees traveling on official business from \$12 to \$16. Authorizes increases in the maximum allowance for official travel authorized to be performed on an actual expense basis from \$25 to \$30 per day. Authorizes increases in the maximum allowance for use of privately owned automobiles or airplanes from 10 to 12 cents per mile. Authorizes increases in the maximum allowance allowance for the use of privately owned motorcycles from 6 cents to 8 cents per mile. Allows reimbursement on an actual expense basis up to \$10 in excess of the normal per diem allowance established in a given country for employees traveling outside the continental U. S. or Alaska when authorized due to unusual circumstances surrounding the travel. Adds parking fees when incurred while in official travel status as an item of expense for which reimbursement is permissible. Transfer to the President authority previously vested in the Bureau of the Budget to establish per diem rates outside the continental U. S. Preserves the status of Alaska and Hawaii that existed prior to their obtaining statehood as areas in which travel allowance would be fixed on the basis of cost.







87<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 3279

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 25, 1961

Mrs. GRANAHAN introduced the following bill; which was referred to the Committee on Government Operations

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## A BILL

To increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That section 3 of the Travel Expense Act of 1949 (5  
4       U.S.C. 836) is amended by striking out "\$12" and inserting  
5       in lieu thereof "\$16", and by striking out "\$25" and insert-  
6       ing in lieu thereof "\$30".

7       SEC. 2. Section 5 of the Administrative Expenses Act  
8       of 1946 (5 U.S.C. 73b-2) is amended by striking out "\$15"  
9       and inserting in lieu thereof "\$16", and by striking out  
10      "\$25" and inserting in lieu thereof "\$30".

1        SEC. 3. Section 4 of the Travel Expense Act of 1949  
2        (5 U.S.C. 837) is amended by striking out "6 cents" and  
3        inserting in lieu thereof "8 cents", and by striking out "10  
4        cents" and inserting in lieu thereof "12 cents".

5        SEC. 4. The second sentence of section 4 of the Travel  
6        Expense Act of 1949 (5 U.S.C. 837) is amended by insert-  
7        ing immediately after "the actual cost of" the following:  
8        "parking fees,".



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## A BILL

To increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes.

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By Mrs. GRANAHAN

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JANUARY 25, 1961

Referred to the Committee on Government Operations





# Digest of CONGRESSIONAL PROCEEDINGS

## OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF  
BUDGET AND FINANCE  
(For Department  
Staff Only)

### CONTENTS

Issued April 27, 1961  
For actions of April 26, 1961  
87th-1st, No. 70

Appropriations.....	8,11
Budgeting.....	11
Contracts.....	7
Delaware River.....	3
Depressed areas.....	2
Education.....	6,12
Experiment stations.....	15
Farm labor.....	10
Foreign aid.....	5,8
Foreign trade.....	1,14
Using.....	17
Item veto.....	11
Lands.....	16
Minerals.....	18
Peace Corps.....	13
Per diem.....	4
Personnel.....	4
Public Law 480.....	1
Research.....	7,15
Surplus commodities.....	1
Veterans' loans.....	17
Water resources.....	9

HIGHLIGHTS: House passed bill to provide additional authorization for Public Law 480. House agreed to conference report on depressed areas bill. House committee voted to report bill to increase per diem travel rates. House committee reported Delaware River Basin Compact bill.

### HOUSE

1. SURPLUS COMMODITIES; FOREIGN TRADE. Passed without amendment S. 1027, to amend Public Law 480 so as to provide an additional authorization of \$2 billion during 1961 under title I for sales of surplus commodities for foreign currencies. This bill will now be sent to the President. p. 6322.  
Passed earlier without amendment a similar bill, H. R. 4728, which was tabled (pp. 6308-22). Rejected an amendment by Rep. Hoeven to reduce the authorization from \$2 billion to \$1.1 billion (pp. 6319-21). Rejected an amendment by Rep. Kyl providing that "Notwithstanding any other provisions of law any country programs under development resulting from country requests shall henceforth be reviewed and approved by the Committee on Agriculture of the House of Representatives and the Committee on Agriculture and Forestry of the Senate before being concluded" (pp. 6321-2).
2. DEPRESSED AREAS. By a vote of 233 to 193, agreed to the conference report on this bill S. 1, the depressed areas bill. This bill will now be sent to the President. See Digest 67 for items of interest. pp. 6292-6308
3. DELAWARE RIVER BASIN COMPACT. The Judiciary Committee reported without amendment H. J. Res. 225, to grant the consent of Congress to the Delaware River Basin Compact and to enter into such compact on behalf of the U. S. (H. Rept. 310). p. 6329
4. PERSONNEL. The Government Operations Committee voted to report (but did not actually report) with amendment H. R. 3279, to increase the maximum rates of per diem allowance for employees of the Government travelling on official business. p. D283

5. FOREIGN AID. Rep. Dent inserted his statement before the Rules Committee in support of H. Res. 152, creating a select committee to conduct an investigation and study of the cost of foreign aid. pp. 6327-8
6. EDUCATION. Received from the President a proposed bill to "Extend and improve the National Defense Education Act;" to Education and Labor Committee. p. 6329
7. RESEARCH. Received from GSA a letter relative to contracts negotiated for experimental, developmental, or research work, or for the manufacture or furnishing of property for same, during the 6-month period ending December 31, 1960. p. 6329

#### ITEMS IN APPENDIX

8. FOREIGN AID; APPROPRIATIONS. Speeches in the House by Reps. Hosmer and Wilson, Ind., during debate on the bill making appropriations for the Inter-American social and economic cooperation program. pp. A2837-9, A2854-5  
Extension of remarks of Rep. Ellsworth inserting an article supporting aid to Latin America. pp. A2858-9
9. WATER RESOURCES. Extension of remarks of Rep. Albert commending Sen. Kerr as a "powerful champion of the conservation and development of our Nation's natural resources," and inserting Sen. Kerr's speech, "Water Needs of the Nation from 1980 to 2000." pp. A2843-5
10. FARM LABOR. Rep. Rogers inserted an article discussing the education of children of migratory farm workers and stated that it shows "the progress being made in Florida to solve problems relating to migrant farm labor which were left out of the television presentation 'Harvest of Shame.'" pp. A2847-8  
Rep. Gubser inserted an article, "Bracero Program Defended," defending the practice of employing Mexican farm workers by domestic farm operators. p. A2854
11. BUDGETING; APPROPRIATIONS. Rep. Goodell inserted a speech by Sen. Keating favoring item veto authority for the President, establishment of a Joint Committee on the Budget, and a special session of Congress each year to consider appropriation measures. pp. A2853
12. EDUCATION EXCHANGE. Rep. Chamberlain inserted an editorial commending the international education exchange program. p. A2859
13. PEACE CORPS. Rep. Reuss inserted two articles commending the establishment of a Peace Corps. pp. A2861, A2867-8
14. FOREIGN TRADE. Extension of remarks of Rep. Shipley urging greater restrictions on the importation of articles injurious to U. S. industries. pp. A2862-3

#### BILLS INTRODUCED

15. RESEARCH. H. R. 6661, by Rep. Albert, to assist the States to provide additional facilities for research at the State agricultural experiment stations; to Agriculture Committee.
16. LANDS. H. R. 6678, by Rep. Aspinall, to authorize an exchange of lands at Wupatki National Monument, Ariz., to provide access to certain ruins in the





May 3, 1961

12. PERSONNEL. The Government Operations Committee reported with amendments H. R. 3279, to increase the maximum rates of per diem allowance for employees of the Government traveling on official business (H. Rept. 341). p. 6782
13. HIGHWAYS. The Rules Committee reported a resolution for consideration of H. R. 6713, to amend certain laws relating to Federal-aid highways, and to make certain adjustments in the Federal-aid highway program. pp. 6729, 6782
14. TEXTILES. Rep. Whitener said "We must have immediate relief from the existing foreign textile competition and from the additional competition which we see on the economic horizon." He spoke in particular reference to textile competition from Hong Kong. pp. 6762-9
15. MONOPOLIES; LIVESTOCK. Rep. Roosevelt recommended "legislation to strengthen the Packers and Stockyards Act and the Federal Trade Commission Act to prohibit integration of food retailing with meat packing and other functions of food manufacturing and processing where the effect of such integration of functions would be to substantially lessen competition or tend to create monopoly." pp. 6777-9
16. TAXATION. The Ways and Means Committee reported with amendment H. R. 6413, to extend to fishermen the same treatment accorded farmers in relation to estimated income tax (H. Rept. 346). p. 6782
17. PERSONNEL. The Post Office and Civil Service Subcommittee ordered reported to the full committee H. R. 2555, to provide for allotment and advancement of pay respect to civilian employees of the United States in cases of emergency evacuations in oversea areas. pp. D310-1
18. PUBLIC LANDS. The Interior and Insular Affairs Committee voted to report (but did not actually report) H. R. 6422 with amendments, to add federally owned lands to, and exclude federally owned lands from, the Cedar Breaks National Monument, Utah (includes Forest Service lands). p. D310
19. LEGISLATIVE PROGRAM. Rep. Bolling announced that H. R. 6713, the proposed Federal-aid highway program of 1961, will be considered today, May 4. p. 6736
20. FARM PROGRAM. Rep. Coad commended the Administration's farm program and stated that, "We have an administration that spotlights agriculture as a national asset rather than a burdensome taxpayer responsibility." p. 6730  
Several representatives criticized legislative programs of the Administration. pp. 6731-36
- ITEMS IN APPENDIX
21. HEALTH. Extension of remarks of Rep. Curtis, Mo., inserting several reports prepared by the American Medical Association on the funds appropriated by the Congress for activities of the Federal Government in the field of health. pp. A3029-30, A3032-3, A3036-8, A3041, A3048, A3051-3
22. FARM LABOR. Extension of remarks of Sen. Williams, N. J., inserting several articles on the problems and progress of the migratory farm labor program in N. J. pp. A3034-6

23. BUDGET COMMITTEE. Extension of remarks of Rep. Colmer inserting an article by Sen. McClellan and stating that Sen. McClellan "points out in a very logical and forceful manner the need for a Joint Committee on the Budget to be set up within the Congress and responsible to the Congress." pp. A3043-5
24. WILDERNESS. Extension of remarks of Rep. Westland inserting an article, "As We See It -- Preserve Wilderness Areas For Benefit Of All People." pp. A3050-1  
Extension of remarks of Sen. Fong inserting an article, "Hawaii Needs A State Park System To Help Preserve The Life Of The Land." pp. A3054-4
25. FARM PROGRAM. Extension of remarks of Rep. Johnson, Wis., inserting the testimony of Gilbert Rohde, president of the Wisconsin Farmers Union, and of Edwin Christianson, president of the Minnesota Farmers Union, before the House Agriculture Committee in support of the proposed Agricultural Act of 1961. pp. A3054-5, A3063-4
26. ECONOMIC POLICY. Extension of remarks of Sen. Magnuson commending Secretary of Commerce Hodges, stating that as chairman of the Commerce Committee "I think I can assure Secretary Hodges of the committee's cooperation in his efforts to revitalize the Department . . ." and inserting the Secretary's address to the National Press Club "Policy For Growth." pp. A3017-9
27. FEDERAL-STATE RELATIONS. Rep. Brooks inserted a speech by Sen. Yarborough urging closer coordination and cooperation between State and National legislative bodies. pp. A3022-3
28. WATER RESOURCES. Sen. Kerr inserted an address by a Division of Water Supply and Pollution Control official on the Arkansas-Red River water quality conservation project and its effect on the economy of the Red River Valley. pp. A3026-8
29. DEPRESSED AREAS. Speech in the House by Rep. MacGregor criticizing the method of financing the depressed areas legislation. p. A3028
30. WHEAT. Sen. Carlson inserted and commended an article on wheat sales to the Indian Government under Public Law 480, and stated that he believes U. S. sales of wheat have obtained more good will for the U. S. than money spent in other ways. p. A3062

BILLS INTRODUCED

31. FORESTS. S. 1760, by Sen. Bible (for himself and Sen. Cannon), to establish the Great Basin National Park in Nevada; to Interior and Insular Affairs Committee. Remarks of Sen. Bible. p. 6576  
S. Res. 137, by Sen. Byrd, W. Va., to print as a Senate document two reports entitled "The Timber Resources of West Virginia" and "A Report on the National Forests of West Virginia"; to Rules Administration Committee.
32. TRANSPORTATION. S. 1764, by Sen. Bartlett, to amend the Interstate Commerce Act to require justification of certain rate publications and suspension board actions; to Commerce Committee. Remarks of author. pp. 6576-7  
S. 1765, by Sen. Bartlett, to amend the Interstate Commerce Act to promote coordinated rail-barge transportation; to Commerce Committee. Remarks of author. pp. 6576-7  
H. R. 6775, by Rep. Bonner, to amend the Shipping Act, 1916, as amended, to provide for the operation of steamship conferences; to Merchant Marine and Fisheries Committee.

## TRAVEL EXPENSES OF GOVERNMENT EMPLOYEES

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MAY 3, 1961.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. DAWSON, from the Committee on Government Operations, submitted the following

### R E P O R T

[To accompany H.R. 3279]

The Committee on Government Operations, to whom was referred the bill (H.R. 3279) to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

Page 1, in lines 5 and 6, strike out “, and by striking out ‘\$25’ and inserting in lieu thereof ‘\$30’ ”.

Page 1, in lines 9 and 10, strike out “, and by striking out ‘\$25’ and inserting in lieu thereof ‘\$30’ ”.

Page 2, immediately following line 8, insert the following:

SEC. 5. (a) Section 3 of the Travel Expense Act of 1949, as amended (5 U.S.C. 836), is amended—

(1) by striking out the words “by the Director of the Bureau of the Budget” which appear before the first proviso and inserting in lieu thereof “by the President or his delegate (who may be the Director of the Bureau of the Budget or any other officer of the Government)” ; and

(2) by striking out the last proviso and inserting in lieu thereof the following proviso: “*And provided further*, That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in ac-

cordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7, prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of \$30, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits".

(b) Section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2), is amended—

(1) by striking out the words "by the Director of the Bureau of the Budget" which appear before the proviso; and

(2) by striking out the last proviso and inserting in lieu thereof the following proviso: "*Provided*, That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7 of the Travel Expense Act of 1949, as amended (5 U.S.C. 840), prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of \$30, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits".

(c) Section 48 of the Alaska Omnibus Act (73 Stat. 141; 48 U.S.C. note prec. sec. 23) shall not apply with respect to the amendments made by this section.

SEC. 6. The last proviso of section 3 of the Act of July 30, 1946 (22 U.S.C. 287o), is amended to read as follows: "*Provided, however*, That he may be paid transportation and other expenses as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2)".

SEC. 7. Section 5 of the Act of July 30, 1946, as amended (22 U.S.C. 287q), is amended by striking out "Under such regulations as the Secretary of State may prescribe, the actual transportation expenses of experts attending such conferences shall be borne by the Department of State, and they shall be allowed a per diem of \$10 in lieu of subsistence and other expenses, for the period of actual attendance and of necessary travel." and inserting in lieu thereof the following: "The Department of State may pay their transportation and other expenses as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2), for the period of actual attendance and of necessary travel."

SEC. 8. Paragraph (6) of section 801 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1471(6)) is amended by striking out "but he may be paid his actual transportation expenses, and not to exceed \$10 per diem in lieu of subsistence and other expenses, while away from his home in attendance upon meetings within the United States or in consultation with the Department under instructions." and inserting in lieu thereof the following: "but he may be paid his transportation and other expenses, as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2).".

#### PURPOSE

The purpose of H.R. 3279, as amended, is to amend existing travel expense legislation to increase the maximum per diem rates, reimbursement for actual expenses, and mileage allowances for use of privately owned vehicles for civilian employees of the Government.

Specifically, the bill would—

- (a) Increase the maximum per diem allowance from its present rate of \$12 per day to \$16 per day;
- (b) Increase to \$30 from its present \$25 the maximum allowance for official travelers authorized to be paid on an actual expense basis;
- (c) Increase to \$16 the maximum per diem for intermittent employees and persons serving the Government without compensation;
- (d) Increase to 8 cents per mile the present 6-cent allowance for the use of motorcycles;
- (e) Increase to 12 cents per mile the present 10-cent allowance for the use of privately owned automobiles on official business;
- (f) Authorize the payment to employees of parking fees incurred while using privately owned vehicles for official purposes;
- (g) Transfer to the President authority now vested in the Bureau of the Budget to establish per diem rates outside the continental United States;
- (h) Allow reimbursement on an actual expense basis up to \$10 in excess of the set per diem rate for employees traveling outside the continental limits of the United States in unusual circumstances;
- (i) Preserve the special status of Alaska as a high expense area;
- (j) Raise per diem of certain State Department advisory committees from \$10 to the regularly established per diem.

#### BRIEF HISTORY

H.R. 3279 was introduced by Hon. Kathryn E. Granahan, of Pennsylvania. Hearings were held by the Subcommittee on Executive and Legislative Reorganization on April 20, 1961, at which time testimony was heard by the author of the bill, representatives of the Bureau of the Budget, the General Accounting Office, the State Department, and various Government employee organizations.

The Bureau of the Budget recommended a maximum of \$15 per day for per diem instead of the \$16 proposed, adherence to the existing

limitations on reimbursement for actual expenses, and no change in the existing mileage allowance.

The State Department, concurred in by the Bureau of the Budget, recommended certain changes in the law affecting per diem and actual expense allowances for civilian employees traveling overseas.

The General Accounting Office approved the \$16 per diem and the reimbursement of parking fees, but took no position on the other features of the bill.

The Government employee representatives all favored the increases provided by H.R. 3279. The organizations represented were:

The National Society of Federal Engineers, Scientists, and Allied Professionals.

Policemen's Association of the District of Columbia.

National Customs Service Association.

National Association of Post Office and Postal Transportation Service Mail Handlers, Watchmen, Messengers, and Group Leaders.

National Association of Post Office and General Services Maintenance Employees.

National Federation of Federal Employees.

National Association of Postal Supervisors.

Travel expense legislation was last amended in 1955 at which time the current ceilings were set. In 1959, after action by this committee, the House approved legislation increasing the maximum per diem rates to \$15 per day, the mileage allowance from 10 to 12 cents per mile for autos and from 6 to 8 cents per mile for motorcycles, and authorizing the payment of parking fees for privately owned vehicles when on Government business. The Senate deleted the increases in mileage allowances when it passed the bill in 1960 but action was taken so close to the adjournment of Congress that it was not possible to hold a conference between the two Houses on the bill. The bill died, therefore, at the end of the session.

#### ANALYSIS

The Travel Expense Act of 1949 is the basic law which authorizes the Federal departments and establishments to reimburse civilian employees for subsistence expenses incurred while traveling on official business. The principal form of reimbursement is by per diem allowances which means a daily flat rate of payment in lieu of actual expenses. Subsistence means lodging, meals, and other necessary expenses incidental to the personal sustenance or comfort of the traveler. The per diem includes fees or tips to porters and stewards. The act, as amended, fixes the maximum per diem allowance within the United States at \$12 per day. The per diem for travel outside of the United States has no legislative maximum and is fixed by the Bureau of the Budget.

The departments and establishments frequently set a per diem rate at less than the maximum depending on the nature of the trip. The act also provides that in unusual circumstances actual expenses may be reimbursed up to a maximum of \$25 if the per diem would be much less than the actual expenses.

The act also authorizes the payment of a mileage allowance for the use of privately owned automobiles or airplanes up to 10 cents per

mile and 6 cents per mile for motorcycles when used on official business.

The Director of the Bureau of the Budget is given the responsibility to promulgate regulations governing the provisions of the act. These regulations have been published in booklet form.

The Administrative Expenses Act of 1946 authorizes the payment of travel expenses including per diem to persons employed by the Government intermittently as consultants or experts or persons employed without compensation or at \$1 a year. A maximum per diem of \$15 per day is now provided for these. Reimbursement for actual expenses may be made up to \$25 per day in unusual circumstances.

Section I of the bill, as amended, increases the maximum per diem allowance in lieu of actual expenses for subsistence for regular Government employees traveling within the United States from \$12 to \$16 per day.

Section II of the bill increases the maximum per diem for intermittent employees or persons serving without compensation from \$15 to \$16 per day.

Section III increases the maximum allowance for privately owned automobiles or airplanes when on official business from 10 cents per mile to 12 cents per mile and motorcycles from 6 to 8 cents per mile.

Section IV adds an additional allowance for the use of vehicles by permitting the reimbursement of the actual cost of parking fees.

Section V amends the Travel Expense Act by—

(a) Transferring from the Bureau of the Budget to the President the authority for setting per diem rates for civilian employees traveling outside of the continental United States. It is expected that the President will delegate this authority to the Department of State which already recommends to the Bureau what the rates should be;

(b) Increasing to \$30 the maximum amount to be reimbursed on an actual expense basis for travel assignments within the United States under unusual circumstances and where the per diem rate would be much less than the actual expenses;

(c) Authorizing the reimbursement of actual expenses for travel under unusual circumstances outside of the continental United States up to \$10 more than the maximum per diem allowance;

(d) Making the same changes in the Administrative Expenses Act regarding experts and consultants employed intermittently as (a), (b), and (c) above made in the Travel Expense Act with reference to regular civilian employees. Thus, the authority of the Bureau of the Budget to set per diem rates outside of the United States would be transferred to the President; the reimbursement for actual expenses where permitted would be increased to a maximum of \$30 within the United States and the per diem plus \$10 outside the United States;

(e) Exempting amendments made by this section of the bill from the provisions of section 48 of the Alaska Omnibus Act. This has the effect of removing Alaska from the maximum per diem rates provided by the bill due to the special rates justified by the higher costs which prevail in that State.

Sections VI, VII, and VIII of the bill all relate to the same problem and correct certain inequities in existing law. Three advisory committees to the State Department were created by law some years ago and a per diem rate of \$10 per day was set for these groups. The

effect will be to place these groups under the provisions of the Administrative Expenses Act as are other similar groups in the Government.

#### GENERAL STATEMENT

Reports of the departments and agencies and testimony of representatives of Government employee organizations seem amply to justify enactment of the bill as amended.

All of the employee groups represented presented experiences of their members in travel status and the necessity either to frequently supplement the per diem with their own funds to meet the current subsistence costs, or to live and eat under circumstances they said were often unworthy of representatives of the Federal Government. (See printed hearings.)

The reports of the departments and agencies indicated the substantial increase in travel and subsistence costs since 1955 when the current rates were established. The Bureau of the Budget presented figures showing that in the fall of 1960 the average subsistence costs of Government employees while in travel status were \$15.13 per day. (See Bureau of the Budget report.) There seems every indication that the trend continues to rise and today the costs may be higher. The Bureau recommended, however, that the maximum per diem be held to \$15 per day. The General Accounting Office, on the other hand, indicated that its experience justified a \$16 per day maximum. (See Comptroller General's report.) The committee believes that in the face of the rising trend and the Bureau of the Budget's own figures which show that the \$15 figure has already been exceeded, the maximum should be set at \$16 per day as the bill proposes. Furthermore, the cost figures presented are averages and, of course, this presupposes that some cases fall above the line as well as below the line. Provision should be made for these above-the-line cases where justified and flexibility should be given the Bureau and the department heads in administering the law.

The actual expense proviso is being increased from a \$25 to \$30 maximum per day likewise because of the general increase in costs. But this is a special purpose provision and was put in the law in 1955 only to meet the unusual cases where actual expenses would be much higher than the per diem rate. It was to be used only infrequently and not generally as an escape valve for the per diem ceiling. It should be realistic, however, and \$30, therefore, seems justified.

The increase in maximum mileage rates for the use of privately owned vehicles is also approved. The committee recognizes the upward trend of costs in automobile driving. This fact was well within the experiences of members of the committee. Furthermore, a recent report of the American Automobile Association showed an average cost of 12 cents per mile for a car driven 10,000 miles per year. The committee believes, therefore, that an increase in the maximum mileage rate from 10 cents to 12 cents per mile for autos and 6 cents to 8 cents per mile for motorcycles is fully supported. This, like the per diem rate, is only a maximum and can be scaled down by the departments to fit the circumstances of the particular vehicular travel.

The payment of the actual cost of parking fees was recommended by the Bureau of the Budget in the last Congress. This expense has become increasingly burdensome on employees who must use their cars for official business and should be reimbursed.

The amendments recommended by the State Department and approved by the Bureau of the Budget are reported with the bill. (See State Department report.) Although the Bureau has the authority to set per diem rates for travel outside the United States, it has depended upon the State Department for advice on what the rates should be in various countries at various times. Under the bill this responsibility would be transferred to the President, who plans to delegate it to the State Department. The formula devised for reimbursement on an actual expense basis where there are unusual circumstances and the actual expenses of a trip are much more than the per diem rate set is the maximum per diem plus \$10. This formula is based on the years of experience the State Department has had in this field and seems practicable. As noted before, this is expected to be used only infrequently.

The costs of travel in Alaska are still much higher than in the continental United States and, therefore, even though Alaska has become a State it seems proper to except it from the maximum per diem and allow its rates to be fixed like all others outside the United States.

The last three amendments would correct an inequity by removing the statutory requirement of a \$10 per diem on certain advisory committees to the State Department and allow them to be set as other advisory committees in the Government.

As the committee has previously stated:

It is unjust to require or expect Government employees to pay part of the cost of official travel out of their own pockets. There is much convincing evidence that the Government is at a competitive disadvantage with private industry in the recruitment and retention of personnel. This bill will help relieve this situation by at least keeping up with the realistic travel costs which employees must incur in line with their duties.

On the other hand, the committee expects there to be no relaxation by the departments in the standards by which travel expenses are authorized and paid so that there will be no abuses resulting from efforts to be fair and equitable.

The committee emphasizes the fact that the per diem rate prescribed in the bill is a maximum one and the committee expects that the maximum rate will be allowed only where the circumstances clearly warrant it. The Bureau of the Budget and the heads of departments and agencies have both the authority and the responsibility to see that no deviation from this principle occurs.

## REPORT OF THE COMPTROLLER GENERAL OF THE UNITED STATES

MARCH 17, 1961.

Hon. WILLIAM L. DAWSON,  
*Chairman, Committee on Government Operations,*  
*House of Representatives.*

DEAR MR. CHAIRMAN: Your letter of January 31, 1961, requests an expression of our views on H.R. 3279.

The bill would amend the Travel Expense Act of 1949, as amended, to provide (1) an increase in the rate of per diem in lieu of subsistence from \$12 to \$16 per day, which may be authorized for Government employees traveling on official business; (2) an increase in the maximum limitation from \$25 to \$30 per day, covering the payment of actual necessary expenses of a trip when due to the unusual circumstances of a trip the per diem allowance is not sufficient; and (3) an increase in the maximum mileage allowance rate for use of privately owned vehicles (motorcycles from 6 to 8 cents per mile and automobiles from 10 to 12 cents per mile).

Also the bill would amend section 5 of the Administrative Expenses Act of 1946, to increase the per diem in lieu of subsistence rate of \$15 to \$16 for the travel of persons in the Government service employed intermittently as consultants or experts and receiving compensation on a per diem when actually employed basis. In addition the bill would amend the Travel Expense Act of 1949 to authorize payment of parking fees to Government employees who are required to park their automobiles in the course of the use of such automobiles on official business.

We have obtained cost information on subsistence from employees of our Office who travel a lot on official business. This information for the most part was obtained from our regional offices throughout the United States. The average cost of subsistence for our travelers in the areas in the field where our regional offices are located was \$12.47 a day while the average of the cost to our employees traveling out of Washington was \$14 a day. The higher cost for subsistence out of Washington results from the fact that these trips are generally of short duration and are made to higher cost areas.

While the above information indicates that our travelers are keeping their subsistence costs reasonably close to the existing \$12 expense allowance, many of our travelers feel that the existing allowance is inadequate because they have to stay in what they consider second- and third-class hotels and at times partake of meals in drugstores in order to keep within the allowance. The inadequacy of the existing per diem allowance of \$12 in lieu of subsistence is corroborated from additional information we have obtained as to hotel rates in some of the most usually visited cities within the areas of our regional offices.

Our information as to hotel rates indicates that if our travelers stayed consistently in first-class commercial hotels (not luxury-type hotels) in the larger cities or in resort areas during the tourist season, their average expense would be at least \$16 per day based on what appears to be a \$2 to \$3 price difference between the hotels where they have been staying and the better-class hotels.

We believe that per diem rates authorized for official travel should be fixed in each case in keeping with the circumstances and conditions,

but within the statutory ceiling. For example, in some of the cities we found that a per diem rate somewhat lower than \$16 would be adequate for first-class hotel accommodations, meals, and other expenses, whereas in other cities such costs would justify the fixing of the maximum allowance of \$16 as proposed by the bill. Thus, we believe there is sufficient justification for increasing the statutory per diem allowance of \$16 with the thought in mind that such a maximum allowance will be adequate for the higher cost areas and that agencies will fix a lower allowance for areas where experience shows that costs of subsistence are somewhat lower.

We have no information at this time concerning the propriety of an increase in mileage allowance for privately owned vehicles or an increase in the amount which may be authorized or approved for actual necessary expenses of a trip when due to unusual circumstances the maximum per diem allowance is not sufficient to cover such expenses. However, we have no objection to authorizing payment of parking fees when a Government employee is using a privately owned vehicle on official business, since it is our understanding that in certain areas parking fees have developed into rather expensive items, the mileage rate not being sufficient to include such item of expense.

We direct your attention to Senate Report No. 1721 of the Committee on Government Operations dated June 24, 1960, wherein several amendments to H.R. 5196 of the 86th Congress (similar to H.R. 3279) were recommended, including amendments to increase the per diem in lieu of subsistence rates in other statutes to accord with the increase provided in H.R. 5196, as reported out of the committee. Perhaps your committee would desire to consider similar amendments in connection with H.R. 3279.

Sincerely yours,

JOSEPH CAMPBELL,  
*Comptroller General of the United States.*

#### REPORT OF THE BUREAU OF THE BUDGET

EXECUTIVE OFFICE OF THE PRESIDENT,  
BUREAU OF THE BUDGET,  
*Washington, D.C., April 10, 1961.*

Hon. WILLIAM L. DAWSON,  
*Chairman, Committee on Government Operations,  
House of Representatives, Washington, D.C.*

MY DEAR MR. CHAIRMAN: This is in response to your request for a report on H.R. 3279, a bill to increase the maximum rates of per diem allowance for employees of the Government traveling on official business and for other purposes.

The bill would (1) increase to \$16 the maximum rate of per diem allowed for civilian employees traveling on official business, (2) increase to \$30 per day the maximum allowance for official travelers authorized to be reimbursed on an actual subsistence expense basis, (3) increase to \$16 the maximum per diem allowance for persons serving without compensation, (4) increase to 8 cents per mile the allowance for use of privately owned motorcycles on official Government business, (5) increase to 12 cents per mile the rate for use of privately owned automobiles on official business, and (6) authorize payment to employees for parking fees incurred while using privately owned vehicles for official purposes.

The present maximum per diem of \$12 has been inadequate for several years. In 1954, when the maximum rate was \$9, the Bureau of the Budget made an analysis of travel subsistence expenses and found that costs under ordinary conditions were about \$13 per day. We recommended to the Congress that the rate be increased to \$13. Our recommendation was accepted by your committee and the legislation was passed by the House but the rate was reduced in the Senate to the present maximum of \$12 in order to conform with the rate authorized for uniformed personnel covered by the Career Compensation Act.

In the fall of 1958, we conducted another study of subsistence costs which included detailed reports from 18 principal Federal agencies, supported by a nationwide sampling of costs by the Bureau of the Census and reports from accounting firms specializing in business analyses for hotel organizations. The study indicated that average costs had increased to about \$14.30 per day and we recommended that the maximum be increased to \$14 with the understanding that travelers incurring unusually high costs might be reimbursed for actual expenses up to \$25 per day as currently authorized. Subsequently, your committee reported favorably on H.R. 5196, a bill which as amended by your committee, provided for a maximum rate of \$15. That bill passed the House in September 1959 and was acted upon by the Senate during the spring of 1960. At that time, we conducted a followup study of subsistence expenses which indicated that costs had increased to about \$14.71 per day. We then supported the \$15 rate provided in the bill although we had previously recommended \$14. As passed by the Senate in June 1960, shortly before Congress recessed, the bill included the \$15 rate but also included amendments requiring further consideration in the House.

During the fall of 1960, we conducted another survey of travel subsistence expenses which indicated costs of about \$15.13 per day. We believe the latest study supports a rate of \$15 per day. We recommend that section 1 of H.R. 3279 be amended to provide for a \$15 rate instead of \$16.

We believe no increase is needed in the presently authorized ceiling of \$25 per day for reimbursement of subsistence expenses on an actual expense basis as provided under section 3 of the Travel Expense Act and section 5 of the Administrative Expenses Act. Our studies have indicated that \$25 per day is an adequate ceiling to cover subsistence expenses for which the Government should reimburse travelers in the unusual circumstances for which payment on an actual expense basis is authorized. Therefore, we recommend that sections 1 and 2 of H.R. 3279 be amended by deleting the following words at the end of each section: "and by striking '\$25' and inserting in lieu thereof '\$30.'"

In 1955 when per diem rates were last adjusted, the Bureau of the Budget supported the proposition that persons serving the Government without compensation or at \$1 per year should be accorded a higher maximum per diem allowance than regular officers and employees. Such a differential exists at present since the statute authorizes a \$12 rate for regular officers and employees whereas persons serving without compensation or at \$1 per year may receive up to \$15 per day. The need for continuing that policy appears questionable, however, since for normal travel situations the subsistence expenses of persons serving without compensation should be about the same as

incurred by regular employees. In unusual cases, however, such persons can be reimbursed on an actual expense basis up to \$25 per day, under existing authority contained in section 5 of the Administrative Expenses Act. Therefore, we recommend that section 2 of H.R. 3279 be deleted.

We are unable to provide cost information to support any increase in mileage rate allowances for privately owned motor vehicles. On the contrary, the facts available to us indicate that the present rate of 10 cents per mile for automobiles is not only adequate but is higher than similar types of allowances paid by most private businesses. The trend for such allowances has been upward in recent years, but the last report by a private consulting firm which makes annual surveys of compensation for motor vehicle operation in private industries indicates that more than three-fourths of the private industries paying on a mileage basis are allowing 8 cents per mile or less for automobiles, that 90 percent are allowing 9 cents or less, and that only one-half of 1 percent are allowing more than 10 cents.

We are aware of guidelines published by the American Automobile Association based on analyses by a private accounting firm which indicate that an automobile traveling 10,000 miles during the first year of ownership by a private individual may cost almost 12 cents per mile to operate if insurance, licenses, registration fees, and first year depreciation are considered as well as operating expenses. However, we believe that the Government should not be subjected to automobile usage costs based on an assumption that every private automobile used for official purposes is less than 1 year old. In fact, many persons who use their automobiles for official purposes keep their vehicles longer than 1 year and their fixed costs are distributed to more than 10,000 miles per year of usage. It is true that the cost of gasoline, tires, oil, insurance, etc., is higher than in 1955 when the current 10-cent mileage rate was established. However, we believe the rate is adequate for the present since in 1955 it was somewhat liberal. The published standard for replacement of a Government-owned automobile is 6 years or 60,000 miles, whichever is attained first. On that replacement basis, total variable and fixed costs, including depreciation, would be about 8.3 cents per mile for privately owned automobiles driven 10,000 miles per year. In view of these findings we recommend that section 3 of H.R. 3279 be deleted.

We endorse section 4 of the bill which would authorize reimbursement for parking fees.

We wish to join the Department of State in recommending additional language which will vest in the President delegable authority for establishing maximum per diem allowances to civilian travelers in foreign countries, Alaska, Hawaii, and territories and possessions of the United States. The Bureau of the Budget now has statutory responsibility for establishing these rates although we must rely upon the State Department for firsthand cost information upon which foreign rates are established. We believe it would be appropriate for the President to delegate the responsibility for establishing the per diem rates in foreign countries to the Department of State. Transfer of this responsibility would relieve the Bureau of the Budget of an administrative responsibility and would permit consolidation of the responsibility for establishing per diem rates with the closely related function already being performed by the State Department of estab-

lishing cost-of-living allowances for civilian employees in foreign countries.

We also join the Department of State in recommending additional language to authorize payment in unusual circumstances of subsistence expenses on an actual expense basis to travelers in foreign countries, Alaska, Hawaii, and the territories and possessions of the United States. Statutory authority for such payments now exists with respect to travel in the former 48 States and the District of Columbia. Since "unusual circumstances" may arise outside as well as within the former 48 States, we believe the authority should be extended to include travel outside the former 48 States. It is not feasible, however, to apply throughout the world the flat maximum of \$25 per day which is provided in the existing statutes because rates of exchange and subsistence costs vary too greatly from country to country. Therefore, we recommend that a maximum be authorized in an amount not exceeding the established maximum per diem applicable for each country plus \$10 per day.

We also wish to recommend that the bill be amended to make clear that the statutory maximum per diem rates provided in the Travel Expense Act and the Administrative Expenses Act are not applicable in Alaska. Otherwise, section 48 of the Alaska Omnibus Act might be construed to require that the proposed \$15 maximum per diem rate be applied to Alaska although special rates are clearly justified by the higher costs which prevail in Alaska. A similar problem does not exist with respect to Hawaii.

We have collaborated with the State Department in drafting language to accomplish the additional amendments described above and are enclosing for your consideration a copy of the proposed language which is also being transmitted in a report which the State Department is transmitting to your committee.

The State Department is also submitting proposed language for consideration by your committee which would extend the per diem allowance provisions of the Administrative Expenses Act to persons serving on three groups authorized by statute to advise the State Department but not authorized to receive per diem allowances on the same basis as other persons serving without compensation. We believe these proposals also are desirable.

Sincerely yours,

PHILLIP S. HUGHES,  
Assistant Director for Legislative Reference.

PROPOSALS BY THE DEPARTMENT OF STATE AND THE BUREAU OF THE BUDGET TO AMEND H.R. 3279 TO (a) VEST DELEGABLE AUTHORITY IN THE PRESIDENT FOR ESTABLISHING MAXIMUM PER DIEM ALLOWANCES TO CIVILIAN TRAVELERS IN FOREIGN COUNTRIES, ALASKA, HAWAII, AND THE TERRITORIES AND POSSESSIONS OF THE UNITED STATES, (b) PROVIDE FOR PAYMENT OF SUBSISTENCE EXPENSES ON AN ACTUAL EXPENSE BASIS TO TRAVELERS IN FOREIGN COUNTRIES, ALASKA, HAWAII AND THE TERRITORIES AND POSSESSIONS OF THE UNITED STATES, AND (c) MAKE CLEAR THAT THE STATUTORY MAXIMUM PER DIEM RATES PROVIDED IN THE TRAVEL EXPENSE ACT AND THE ADMINISTRATIVE EXPENSES ACT ARE NOT APPLICABLE IN ALASKA

SEC. —. (a) Section 3 of the Travel Expense Act of 1949, as amended (5 U.S.C. 836), is hereby further amended (1) by striking

out the words "by the Director of the Bureau of the Budget" appearing before the first proviso, and by substituting therefor the following: "by the President or his delegate (who may be the Director of the Bureau of the Budget or any other officer of the Government)", and (2) by striking out the proviso at the end of such section and inserting in lieu thereof the following proviso: "*And provided further*, That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7, prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of \$25, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits."

(b) Section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2), is hereby further amended (1) by striking out the words "by the Director of the Bureau of the Budget" appearing before the proviso, and (2) by striking out the proviso at the end of such section and inserting in lieu thereof the following proviso: "*Provided*, That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7 of the Travel Expense Act of 1949, as amended (5 U.S.C. 840), prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of \$25, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits."

(c) Section 48 of the Alaska Omnibus Act (73 Stat. 141; 48 U.S.C. note prec. sec. 23) shall not apply to the amendments made by this section.

#### REPORT OF THE DEPARTMENT OF STATE

APRIL 12, 1961.

Hon. WILLIAM L. DAWSON,  
*Chairman, Committee on Government Operations,*  
*House of Representatives.*

DEAR MR. DAWSON: Reference is made to your letter of January 31, 1961, requesting the views of the Department of State on H.R. 3279, a bill to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes.

H.R. 3279 would amend the Travel Expense Act of 1949 and the Administrative Expenses Act of 1946 to increase travel per diem rates in the United States to \$16 and increase the rates requiring special authorization from \$25 to \$30. The bill also would amend the Travel Expense Act of 1949 to increase maximum mileage rates for personal transportation of employees on official Government business to 12 cents and to provide for payment of parking fees.

The Department favors an increase in the maximum rate of per diem allowance to the \$15 level which both Houses approved during the last session of the Congress. However, no evidence is available in the Department which would indicate that it is necessary to increase the per diem rate higher than \$15, nor is there evidence that any increase in the present \$25 limitation is required. The Department believes that the present allowance of 10 cents per mile is adequate and that it need not be changed. The Department favors the provision for payment of parking fees.

When your committee takes up H.R. 3279 the Department would appreciate your considering the enclosed proposed amendments relating to travel expenses. These amendments would improve the administration of the law and correct certain existing inequities. Briefly, the amendments would—

- (1) Vest authority in the President for prescribing per diem rates outside the United States;
- (2) Authorize actual expense reimbursement while in travel status abroad as now provided for domestic travel; and
- (3) Provide appropriate per diem allowance rates for advisory groups whose members serve the Department without compensation.

The wording of these proposed amendments together with a detailed explanation is enclosed for your consideration.

The Bureau of the Budget advises that from the standpoint of the administration's program there is no objection to the submission of this report.

Sincerely yours,

BROOKS HAYS,  
*Assistant Secretary*  
(For the Secretary of State).

(Enclosures: (1) Proposed amendments; (2) explanation.)

PROPOSED AMENDMENTS TO H.R. 3279 PROPOSED BY THE  
DEPARTMENT OF STATE

SEC. 5. (a) Section 3 of the Travel Expense Act of 1949, as amended (5 U.S.C. 836), is hereby further amended (1) by striking out the words "by the Director of the Bureau of the Budget" appearing before the first proviso, and by substituting therefor the following: "by the President or his delegate (who may be the Director of the Bureau of the Budget or any other officer of the Government)", and (2) by striking out the proviso at the end of such section and inserting in lieu thereof the following proviso: "*And provided further*, That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations

promulgated by the Director, Bureau of the Budget, pursuant to section 7, prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of \$25, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits."

(b) Section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2), is hereby further amended (1) by striking out the words "by the Director of the Bureau of the Budget" appearing before the proviso, and (2) by striking out the proviso at the end of such section and inserting in lieu thereof the following proviso: "*Provided*, That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7 of the Travel Expense Act of 1949, as amended (5 U.S.C. 840), prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of \$25, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits."

(c) Section 48 of the Alaska Omnibus Act (73 Stat. 141; 48 U.S.C. note prec. sec. 23) shall not apply to the amendments made by this section.

SEC. 6. Section 3 of the Act of July 30, 1946 (22 U.S.C. 287o) is amended so that the last proviso will read as follows: "*Provided, however*, That he may be paid transportation and other expenses as authorized by section 5 of the Administrative Expenses Act of 1946 as amended (5 U.S.C. 73b-2)."

SEC. 7. Section 5 of the Act of July 30, 1946 (22 U.S.C. 287q) is amended so that the sentence relating to transportation and subsistence expenses will read as follows: "The Department of State may pay their transportation and other expenses as authorized by section 5 of the Administrative Expenses Act of 1946 as amended (5 U.S.C. 73b-2), for the period of actual attendance and of necessary travel."

SEC. 8. Section 801 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1471) is amended in subsection (6) so that the portion following the semicolon in the last sentence will read as follows: "but he may be paid his transportation and other expenses, as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2)."

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#### EXPLANATION OF AMENDMENTS TO H.R. 3279 PROPOSED BY THE DEPARTMENT OF STATE

The amendments proposed as section 5 of H.R. 3279 relate to transferring to the President authority for establishing travel per diem rates outside the continental United States. Discussions be-

tween representatives of the Department of State and the Bureau of the Budget have led to agreement that this authority should be vested in the President, rather than in the Bureau of the Budget, so that responsibility for establishing per diem rates for civilian employees traveling beyond the limits of the continental United States can be redelegated as appropriate. It has been agreed that delegation of this Presidential authority to the Secretary of State to establish rates of per diem in foreign areas would be in the best interests of the Government.

The Department, for many years, has recommended maximum foreign travel per diem rates to the Bureau for approval and issuance in Circular A-7. The recommendations are based on analyses of cost data contained in the retail price schedule (form DSP-23). This schedule is prepared by the employees of the State Department at each foreign post or by representatives of other agencies when no employee of the Department is resident at that place. These cost-of-living data are used as the basis for foreign cost-of-living allowances granted to U.S. citizen employees of the Government abroad. Data for both travel per diem and cost-of-living allowances are analyzed concurrently; however, the cost-of-living allowance rates are approved and promulgated by the Department in the "Standardized Regulations (Government Civilians, Foreign Areas)" whereas the foreign travel per diem rates, because of the wording of the law, are transmitted to the Bureau of the Budget and consequently delayed in approval and promulgation. Two systems and two regulations issuances are involved.

The "Standardized Regulations (Government Civilians, Foreign Areas)" is a publication which could easily be extended to include maximum foreign travel per diem rates. It is amended at least 13 times a year to provide allowance and post differential rates which reflect changes in living costs and conditions at approximately 800 posts in foreign countries where U.S. citizen civilian employees of the Government are stationed. Advance notices of changed rates, as well as the published amendments, are disseminated on a scheduled basis among the 25 affected departments and agencies and field posts.

Use of the "Standardized Regulations (Government Civilians, Foreign Areas)" for promulgation of maximum foreign travel per diem rates would—

(a) Enable rates to be prescribed on a post, as well as a country basis, instead of primarily on a country basis, as at present. This subdivision would coincide with the method used for classifying posts for allowances and post differential and provide per diem rates which more accurately reflect room and meal cost differences at posts within a country. Care would be exercised, however, to avoid small variations in rates within a country.

(b) Increase the speed of making warranted foreign travel per diem rate changes (both upward and downward adjustments) from the current quarterly change basis to a biannual period basis. The Department's facilities would also enable interim changes to be made to meet emergency situations.

(c) Reduce costs. Manpower and reproduction costs now borne by the Bureau would be eliminated. Aside from an initial outlay of \$500 by the Department for new plates for

expansion of the classification tables in section 920 of the "Standardized Regulations," no further cost is anticipated.

The other change proposed in section 5 of H.R. 3279 relates to extension of the authority to provide actual-expense reimbursement during travel status. Public Law 189, 84th Congress, authorized actual-expense reimbursement for subsistence costs up to \$25 for regular employees and w.a.c.'s in unusual circumstances when in travel status within the limits of the continental United States.

It is proposed to drop the limitation confining such actual-expense reimbursement to travel within the continental limits of the United States in order to permit such reimbursement when the travel is performed abroad. A corollary change is to provide a ceiling for the exercise of this authority of \$10 per day more than the otherwise authorized maximum per diem allowance for travel outside the continental limits of the United States.

Most of the official travel abroad can appropriately be reimbursed within the regular maximum per diem allowance. There are occasions, however, when this is not possible owing to such circumstances as a delegation traveling together which must obtain accommodations at the hotel where a meeting is to be held regardless of the higher than average cost. As another illustration, when a high-ranking official of our Government visits a foreign post, it is expected that he and his key assistants will be put up at the best hotel and that they will take their meals in the main dining room rather than shopping around for the average-priced restaurants on which the regular per diem allowance is based. Occasionally a severe revaluation of currency takes place which would make the prescribed rate of per diem completely unrealistic until reviewed and formally reestablished. It is this type of unusual circumstance that requires the greater flexibility of actual-expense reimbursement.

The \$25 ceiling on actual-expense reimbursement appears to be appropriate for domestic travel. It would not be suitable, however, as a ceiling for travel abroad. The maximum travel per diem at present for Venezuela is \$23 but this rate does not begin to cover the expenses incurred in a good room at the Tamanaco Hotel. Conversely a \$25 ceiling would be unnecessarily high for Warsaw where the regular maximum rate is only \$6, and the best commercial hotel charges only slightly more than \$7 for room with meals. It is proposed to provide a ceiling of \$10 more than the otherwise authorized maximum per diem allowance for the location involved.

The amendments which are denoted as proposed sections 6, 7, and 8 of H.R. 3279 all relate to the same problem. There are several advisory groups whose members serve the Department without compensation. The per diem for three of these groups is set by statute at \$10. When this rate was set, it was in excess of the regularly established per diem. The separate legislation for these groups (22 U.S.C. 287, 22 U.S.C. 287q, 22 U.S.C. 1471) was overlooked when the last rate-changing amendment to the basic act (69 Stat. 394) was approved (July 28, 1955). The result has been that these members now receive considerably less than Congress originally intended, since originally Congress had prescribed an amount in excess of the regularly established travel per diem. If these amendments are adopted the persons involved will be compensated in the same amounts as are other consultants of the Government.

## CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

## SECTIONS 3 AND 4 OF TRAVEL EXPENSE ACT OF 1949

SEC. 3. Civilian officers and employees of the departments and establishments (except justices and judges covered by section 456 of title 28 of the United States Code), while traveling on official business and away from their designated posts of duty, shall be allowed, in lieu of their actual expenses for subsistence and all fees or tips to porters and stewards, a per diem allowance to be prescribed by the department or establishment concerned, not to exceed the rate of [§12] \$16 within the limits of the continental United States and in case of travel beyond the limits of the continental United States not to exceed rates established by the Director of the Bureau of the Budget for the locality in which the travel is performed: *Provided*, That such civilian officers and employees who become incapacitated due to illness or injury, not due to their own misconduct, while traveling on official business and away from their designated posts of duty, shall be allowed such per diem allowances, and transportation expenses to their designated posts of duty, in accordance with regulations promulgated and approved under this Act: *And provided further*, That where due to the unusual circumstances of a travel assignment within the limits of the continental United States such maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7, prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed [§25] \$30 for each day in travel status.

SEC. 4. Civilian officers or employees of departments and establishments or others rendering service to the Government shall, under regulations prescribed by the Director of the Bureau of the Budget, and whenever such mode of transportation is authorized or approved as more advantageous to the Government (except that no determination of advantage is required where payment on a mileage basis is limited to the cost of travel by common carrier, including per diem), be paid in lieu of actual expenses of transportation not to exceed [6] 8 cents per mile for the use of privately owned motorcycles, or [10] 12 cents per mile for the use of privately owned automobiles or airplanes, when engaged on official business within or outside their designated posts of duty or places of service. In addition to the mileage allowances provided for in this section, there may be allowed reimbursement for the actual cost of *parking fees*, ferry fares, and bridge, road, and tunnel tolls.

## SECTION 5 OF ADMINISTRATIVE EXPENSES ACT

SEC. 5. Persons in the Government service employed intermittently as consultants or experts and receiving compensation on a per diem when actually employed basis may be allowed travel expenses while away from their homes or regular places of business, including per diem in lieu of subsistence while at place of such employment, in accordance with the Standardized Government Travel Regulations, Subsistence Expense Act of 1926, as amended (5 U.S.C. 821-833), and the Act of February 14, 1931, as amended by this Act, and persons serving without compensation or at \$1 per annum may be allowed, while away from their homes or regular places of business, transportation in accordance with said regulations and said Act of February 14, 1931, as so amended, and not to exceed [\$15] \$16 per diem in lieu of subsistence en route and at place of such service or employment unless a higher rate is specifically provided in an appropriation or other Act: *And provided further*, That where due to the unusual circumstances of a travel assignment within the limits of the continental United States such maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7 of the Travel Expense Act of 1949 as amended (5 U.S.C. 840) prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed [\$25] \$30 for each day in travel status.

## ADDITIONAL VIEWS OF HON. CLARE E. HOFFMAN

The proposed amendment to the Administrative Expenses Act increases the per diem allowance from \$12 to \$16 and, in some instances, from \$25 to \$30, with varying increases in some other cases, and increases the travel allowance from 10 cents to 12 cents per mile.

The amendment is in line with the overall policy of the present administration, which seems to believe that all our ills can be cured if we have sufficient money in circulation.

Some so-called reactionary hard shells are asking why, if that theory be sound and will bring the desired cure for all our domestic ills, we do not just change the form of our currency, making all the \$1 bills tens, and the tens hundreds, and so on.

If memory serves correctly, that is what some of the South American countries did once upon a time, but it did not work out too well.

The Federal employees who will benefit by the increase knew, as was said of a previous bill back in 1955, what the compensation would be when they sought and secured the employment, and the general policy of continually increasing compensation for services or raising the amount allocated for expenses but tends to increase the overall cost of living.

However unpleasant it may be, perhaps we should give some thought to lessening the burden of the taxpayers by cutting Federal expenses.

Did I not fear being ostracized, I would suggest that Senators, Congressmen, and others in the top bracket on the payroll voluntarily accept a reduction in the amount now paid each; then insist that all down along the line we just try to do with a little less until there is some prospect of the Government living within its income.

It would certainly be revolutionary—nevertheless, it might be helpful—if the administration and the Congress accepted and followed at face value the President's statement in his inaugural address, and I quote:

Fellow Americans, ask not what your country can do for you; ask what you can do for your country.

CLARE E. HOFFMAN.



87TH CONGRESS  
1ST SESSION

# H. R. 3279

[Report No. 341]

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 25, 1961

Mrs. GRANAHAN introduced the following bill; which was referred to the Committee on Government Operations

MAY 3, 1961

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

---

## A BILL

To increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       *That section 3 of the Travel Expense Act of 1949 (5*  
4       *U.S.C. 836) is amended by striking out "\$12" and inserting*  
5       *in lieu thereof "\$16", and by striking out "\$25" and insert-*  
6       *ing in lieu thereof "\$30".*

7       SEC. 2. Section 5 of the Administrative Expenses Act  
8       of 1946 (5 U.S.C. 73b-2) is amended by striking out "\$15"  
9       and inserting in lieu thereof "\$16", and by striking out  
10      "\$25" and inserting in lieu thereof "\$30".

1        SEC. 3. Section 4 of the Travel Expense Act of 1949  
2        (5 U.S.C. 837) is amended by striking out "6 cents" and  
3        inserting in lieu thereof "8 cents", and by striking out "10  
4        cents" and inserting in lieu thereof "12 cents".

5        SEC. 4. The second sentence of section 4 of the Travel  
6        Expense Act of 1949 (5 U.S.C. 837) is amended by insert-  
7        ing immediately after "the actual cost of" the following:  
8        "parking fees,".

9        *SEC. 5. (a) Section 3 of the Travel Expense Act of*  
10      *1949, as amended (5 U.S.C. 836), is amended—*

11        *(1) by striking out the words "by the Director of*  
12        *the Bureau of the Budget" which appear before the first*  
13        *proviso and inserting in lieu thereof "by the President*  
14        *or his delegate (who may be the Director of the Bureau*  
15        *of the Budget or any other officer of the Government)"*  
16        *and*

17        *(2) by striking out the last proviso and inserting*  
18        *in lieu thereof the following proviso: "And provided*  
19        *further, That where due to the unusual circumstances of*  
20        *a travel assignment the maximum per diem allowance*  
21        *would be much less than the amount required to meet*  
22        *the actual and necessary expenses of the trip, the heads*  
23        *of departments and establishments may, in accordance*  
24        *with regulations promulgated by the Director, Bureau of*  
25        *the Budget, pursuant to section 7, prescribe conditions*

under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of \$30, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits".

(b) Section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2), is amended—

(1) by striking out the words "by the Director of the Bureau of the Budget" which appear before the proviso; and

(2) by striking out the last proviso and inserting in lieu thereof the following proviso: "Provided, That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7 of the Travel Expense Act of 1949, as amended (5 U.S.C. 840), prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to ex-

1       ceed a maximum amount to be specified in the travel  
2       authorization, but in any event not to exceed, for each  
3       day in travel status, (1) the amount of \$30, within  
4       the limits of the continental United States, or (2) the  
5       sum of the maximum per diem allowance plus \$10, for  
6       travel outside such limits".

7       (c) Section 48 of the Alaska Omnibus Act (73 Stat.  
8       141; 48 U.S.C. note prec. sec. 23) shall not apply with  
9       respect to the amendments made by this section.

10      SEC. 6. The last proviso of section 3 of the Act of July  
11     30, 1946 (22 U.S.C. 2870), is amended to read as follows:  
12     "Provided, however, That he may be paid transportation and  
13     other expenses as authorized by section 5 of the Administra-  
14     tive Expenses Act of 1946, as amended (5 U.S.C. 73b-2)".

15      SEC. 7. Section 5 of the Act of July 30, 1946, as  
16     amended (22 U.S.C. 287q), is amended by striking out  
17     "Under such regulations as the Secretary of State may pre-  
18     scribe, the actual transportation expenses of experts attending  
19     such conferences shall be borne by the Department of State,  
20     and they shall be allowed a per diem of \$10 in lieu of sub-  
21     sistence and other expenses, for the period of actual attend-  
22     ance and of necessary travel." and inserting in lieu thereof  
23     the following: "The Department of State may pay their  
24     transportation and other expenses as authorized by section 5  
25     of the Administrative Expenses Act of 1946, as amended (5

1 U.S.C. 73b-2), for the period of actual attendance and of  
2 necessary travel.”.

3 SEC. 8. Paragraph (6) of section 801 of the United  
4 States Information and Educational Exchange Act of 1948  
5 (22 U.S.C. 1471(6)) is amended by striking out “but  
6 he may be paid his actual transportation expenses, and not to  
7 exceed \$10 per diem in lieu of subsistence and other expenses,  
8 while away from his home in attendance upon meetings within  
9 the United States or in consultation with the Department  
10 under instructions.” and inserting in lieu thereof the fol-  
11 lowing: “but he may be paid his transportation and other  
12 expenses, as authorized by section 5 of the Administrative  
13 Expenses Act of 1946, as amended (5 U.S.C. 73b-2).”.





87<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 3279

[Report No. 341]

## A BILL

To increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes.

---

By Mrs. GRANAHAN

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JANUARY 25, 1961

Referred to the Committee on Government Operations

MAY 3, 1961

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed





# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF  
BUDGET AND FINANCE

(For Department  
Staff Only)

Issued May 9, 1961

For actions of May 8, 1961

87th-1st, No. 76

## CONTENTS

Acreage allotments.....	1
CCC.....	5
Depressed areas.....	7
Economic report.....	21
Economic stabilization...5	
Farm labor.....	12
Farm prices.....	16
Farm program.....	14
Feed grain.....	5
Fiscal policies.....	5
Fisheries.....	13
Food additives.....	15
Foreign aid.....	6,10
Foreign trade.....	19
Highways.....	11
Legislative program....10	
Minimum wage.....	20
Natural resources.....	13

Nomination.....	7	Soil bank.....	8
Per diem.....	3	Surplus commodities.....	17
Personnel.....	3	Textile imports.....	9
Public Law 480.....	19	Tobacco.....	2
Research.....	10	Travel allowances.....	3
Resources conservation...5		Water resources.....	4

HIGHLIGHTS: House committee reported bill to authorize temporary reapportionment of pooled acreage allotments.

## HOUSE

1. ACREAGE ALLOTMENTS. The Agriculture Committee reported with amendments S. 1372, to authorize the temporary release and reapportionment of pooled acreage allotments (H. Rept. 365). p. 7069
2. TOBACCO. The Ways and Means Committee reported without amendment H. R. 4940, to establish for scrap and filler tobacco originating in the Philippines certain requirements to be met before such tobacco could enter the U. S. duty-free (H. Rept. 362). p. 7069
3. TRAVEL ALLOWANCES; PERSONNEL. As reported by the Government Operations Committee H. R. 3279, to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, provides as follows:

Increases the maximum per diem allowance from its present rate of \$12 per day to \$16 per day;

Increases to \$30 from its present \$25 the maximum allowance for official travelers authorized to be paid on an actual expense basis;

Increases to \$16 the maximum per diem for intermittent employees and persons serving the Government without compensation;

Increases to 8 cents per mile the present 6-cent allowance for the use of motorcycles;

Increases to 12 cents per mile the present 10-cent allowance for the use of privately owned automobiles on official business;

Authorizes the payment to employees of parking fees incurred while using privately owned vehicles for official purposes;

Transfers to the President authority now vested in the Bureau of the Budget to establish per diem rates outside the continental United States;

Allows reimbursement on an actual expense basis up to \$10 in excess of the set per diem rate for employees traveling outside the continental limits of the United States in unusual circumstances;

Preserves the special status of Alaska as a high expense area;

Raises per diem of certain State Department advisory committees from \$10 to the regularly established per diem.

SENATE

4. WATER RESOURCES. The Subcommittee on Flood Control and Rivers and Harbors of the Public Works Committee approved for consideration by the full committee S. 811, to establish a Wabash Basin Interagency Water Resources Commission. p. D322  
Sen. Hickey inserted an address by George Dana, chief of the ground water development, Wyoming Natural Resources Board, on the ground water development program in Wyoming. pp. 7008-10
5. FISCAL POLICIES. Sen. Proxmire inserted statements by Budget Bureau Director Bell in response to questions presented to him by Sen. Proxmire regarding "the economic policy of the administration," including increases in CCC expenditures for the feed grain program, increases in expenditures for public works and resource conservation projects, use of taxation for economic stabilization purposes, and the balance-of-payments situation. pp. 6966-8
6. FOREIGN AID. Sen. Fong expressed opposition to proposed amendments of the Battle Act to grant the President authority to extend economic and financial aid to certain Communist countries who export armaments or strategic materials to Russia or Russian-dominated countries. pp. 7031-3
7. NOMINATION. Received the nomination of William L. Batt, Jr., to be Area Redevelopment Administrator, Department of Commerce. p. 7033
8. SOIL BANK. Sen. Proxmire inserted a Brown County, Wisc., Board of Supervisors resolution urging that future soil bank contracts include a provision providing for the establishment of fire prevention breaks on unattended lands in the soil bank program. pp. 6947-8
9. TEXTILE IMPORTS. Sen. Ervin expressed disappointment with the seven-point program announced by the President for the textile industry and urged that friendly foreign nations be allotted quotas for the importation of textile products. p. 6960
10. LEGISLATIVE PROGRAM. Sen. Mansfield announced that S. 1215, economic aid for certain Soviet-dominated countries, and H. R. 6518, the inter-American aid bill, will be considered on Tues. p. 7002





# Digest of CONGRESSIONAL PROCEEDINGS

## OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF  
BUDGET AND FINANCE  
(For Department  
Staff Only)

Issued May 11, 1961  
For actions of May 10, 1961  
87th-1st, No. 73

### CONTENTS

Acreage allotments.....	4
Appropriations.....	8,12
Contracts.....	13
Cooperatives.....	11
Electrification.....	14
Expenditures.....	12
Farm labor.....	1,10
Legislative program.....	3
Marketing orders.....	10
Minimum wage.....	9
Mining.....	7
Personnel.....	3
Postal service.....	18
Purchasing.....	13

Recreation.....	17	Taxation.....	5
Reorganization.....	16	Tobacco.....	2
Research.....	19	Travel.....	3
Tariffs.....	6	Wheat.....	15

**HIGHLIGHTS:** House debated Mexican farm labor bill. House Rules Committee cleared bill to increase per diem travel rates. House passed bill to authorize temporary reapportionment of pooled acreage allotments. Reps. Dole, Berry, and Nygaard introduced and Rep. Dole discussed bills to establish \$2 minimum price support for 1961 wheat crop.

### HOUSE

. FARM LABOR. Began debate on H. R. 2010, to extend the Mexican farm labor program. pp. 7187-7209

Agreed to a committee amendment to extend the program for 2 years, to December 31, 1963. p. 7201

Rejected the following amendments:

By Rep. Coad, 75 to 130, providing that no workers "... shall be made available to any employer or permitted to remain in the employ of any employer for employment involving the operation of or work on power driven machinery, except in specific cases when found by the Secretary of Labor necessary for a temporary period to avoid undue hardship." pp. 7201-5

By Rep. Coad, 46 to 91, providing that no workers "... shall be made available to any employer or permitted to remain in the employ of any employer for employment in other than temporary or seasonal occupations, except in specific cases when found by the Secretary of Labor necessary for a temporary period to avoid undue hardship." pp. 7205-6

By Rep. Coad providing that, with certain exceptions, no workers "... shall be made available to any employer or permitted to remain in the employ of any employer unless the employer offers and pays to such workers wages equivalent to the average farm wage in the State in which the area of employment is located, or the national farm wage average, whichever is the lesser ...." pp. 7206-8

2. TOBACOO. Passed as reported H. R. 4940, to establish for scrap and filler tobacco originating in the Philippines certain requirements to be met before such tobacco could enter the U. S. duty-free. pp. 7185-6
3. TRAVEL. The Rules Committee reported a rule for the consideration of H. R. 3279, to increase the maximum rates of per diem allowance for employees of the Government traveling on official business. pp. 7209, 7227
4. ACREAGE ALLOTMENTS. Passed as reported S. 1372, to authorize the temporary release and reapportionment of pooled acreage allotments on lands acquired by agencies having the right of eminent domain. p. 7180
5. TAXATION. Passed as reported H. R. 6413, to extend to fishermen the same treatment accorded farmers in relation to estimated income tax. pp. 7184-5
6. TARIFFS. The Ways and Means Committee reported without amendment H. R. 6611, to reduce temporarily the exemption from duty enjoyed by returning residents (H. Rept. 384). p. 7226
7. MINING. The Interior and Insular Affairs Committee voted to report (but did not actually report) with amendments H. R. 2924, extending the time in which to file adverse suits against mineral entries in the district of Alaska. p. D334
8. LEGISLATIVE PROGRAM. Rep. McCormack announced that the Labor-HEW appropriation bill for 1962 will be considered on Wed., May 17. p. 7209

ITEMS IN APPENDIX

9. MINIMUM WAGE. Extension of remarks of Rep. Derwinski inserting an article, "Cynical Politics in Wage Law." pp. A3277-3
10. FARM LABOR; MARKETING ORDERS. Extension of remarks of Rep. Wharton criticizing consideration of extending the Mexican farm labor program when there is unemployment in this country and discussing the milk marketing order in his district in N. Y. "that has effectively been maneuvered by the milk corporations in a manner that has all but eliminated the family farm." p. A3279
11. COOPERATIVES. Rep. Johnson, Wisc., inserted an article, "Farmers Union Central Exchange Has Near Record Year," discussing highlights in the growth of the Exchange. pp. A3285-6
12. EXPENDITURES, APPROPRIATIONS. Rep. Pelly inserted a magazine editorial which "explains the backdoor spending loophole by which congressional spenders are able to finance programs outside the scrutiny of Committees on Appropriations ...." p. A3289
13. PURCHASING; CONTRACTS. Rep. Multer inserted an article, "Government Requirements Contracts -- Snares for Unwary Contractors," discussing the use of term requirements contracts by the Government for the procurement of goods and services under which the contractor agrees to supply goods and services during a specific period of time at a fixed price. pp. A3293-4

CONSIDERATION OF H.R. 3279

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MAY 10, 1961.—Referred to the House Calendar and ordered to be printed

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Mr. ELLIOTT, from the Committee on Rules, submitted the following

**R E P O R T**

[To accompany H. Res. 283]

The Committee on Rules, having had under consideration House Resolution 283, report the same to the House with the recommendation that the resolution do pass.





## House Calendar No. 47

87TH CONGRESS  
1ST SESSION

# H. RES. 283

[Report No. 385]

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## IN THE HOUSE OF REPRESENTATIVES

MAY 10, 1961

MR. ELLIOTT, from the Committee on Rules, reported the following resolution; which was referred to the House Calendar and ordered to be printed

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## RESOLUTION

1       *Resolved*, That upon the adoption of this resolution it  
2 shall be in order to move that the House resolve itself into  
3 the Committee of the Whole House on the State of the  
4 Union for the consideration of the bill (H.R. 3279) to  
5 increase the maximum rates of per diem allowance for  
6 employees of the Government traveling on official business,  
7 and for other purposes, and all points of order against said  
8 bill are hereby waived. After general debate, which shall  
9 be confined to the bill and continue not to exceed one hour,  
10 to be equally divided and controlled by the chairman and  
11 ranking minority member of the Committee on Government  
12 Operations, the bill shall be read for amendment under the

87<sup>TH</sup> CONGRESS      H. RES. 283  
1<sup>ST</sup> SESSION

[Report No. 385]

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## RESOLUTION

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Providing for the consideration of H.R. 3279, a bill to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes.

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By Mr. ELLIOTT

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MAY 10, 1961

Referred to the House Calendar and ordered to be printed.

1 five-minute rule. At the conclusion of the consideration of  
2 the bill for amendment, the Committee shall rise and report  
3 the bill to the House with such amendments as may have  
4 been adopted and the previous question shall be considered  
5 as ordered on the bill and amendments thereto to final  
6 passage without intervening motion except one motion to  
7 recommit.





# Digest of CONGRESSIONAL PROCEEDINGS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF  
BUDGET AND FINANCE  
(For Department  
Staff Only)

## CONTENTS

Adjournment.....	9
Animal disease.....	31
Appropriations ..	3,11,13,24
Centennial celebration...	1
Claims.....	6
Cooperatives.....	27
Cotton.....	30
Education.....	17
Farm program.....	23
Fats and oils.....	22
Feed grains.....	19
Fiscal requirements.....	12
Food products.....	21
Foreign aid.....	18,22
Forestry.....	16,34
Housing.....	10
Import duties.....	15
Lands.....	5,12,16,34
Legislative program.....	8

Issued May 19, 1961  
For actions of May 18, 1961  
87th-1st, No. 83

Milk.....	27	Small business.....	25
Natural resources.....	26	Surplus property.....	12
Peace Corps.....	23	Taxation.....	29
Personnel.....	2,13	Tobacco.....	14
Publications.....	12	Travel expenses.....	2
Reorganization.....	32	Travel promotion.....	4
Research.....	20	Water.....	7
River basin.....	33	Water resources.....	33

**HIGHLIGHTS:** House passed bill to increase per diem travel rates. Senate committee voted to report housing bill. Senate subcommittee voted to report Treasury-Post Office appropriation bill. Sen. Humphrey commended feed grain program. Sen. Calmadge (with other Sens.) and Reps. Grant and Harvey, Ind., introduced and Sen. Calmadge discussed bills to provide national hog cholera eradication program.

## HOUSE

1. AGRICULTURE CENTENNIAL. Received from this Department a proposed bill "To provide for the recognition of the centennial of the establishment of the Department of Agriculture"; to Judiciary Committee. p. 7851
2. TRAVEL EXPENSES. Passed as reported H. R. 3279, to increase the maximum rates of per diem allowance for employees of the Government traveling on official business. See Digest No. 76 for a summary of the provisions of the bill. pp. 7813-9
3. APPROPRIATIONS. The Appropriations Committee was granted until midnight tonight, May 19, to file a report on the legislative appropriation bill for 1962. p. 7813
4. TRAVEL PROMOTION. Passed with <sup>amendment</sup> S. 610, providing for the establishment of a U. S. Travel Service within the Department of Commerce and a Travel Advisory Board. This bill provides for the use of Title I, Public law 480 for foreign currencies to finance the establishment and operation of travel offices and other activities authorized by the International Travel Act of 1961. pp. 7811-2

5. LANDS. The "Daily Digest" states that the Agriculture Committee voted to report (but did not actually report) H. R. 2249, to convey certain property in California to Trinity County, and H. R. 2250, to convey certain lands in Lassen County, Calif., to the city of Susanville, Calif. p. D366
6. CLAIMS. The "Daily Digest" states that Subcommittee No. 3 of the Judicial Committee voted to report to the full committee H. R. 6835, to simplify the payment of certain miscellaneous judgments and the payment of certain compromise settlements. p. D367
7. WATER. The "Daily Digest" states that the Subcommittee on Flood Control of the Public Works Committee voted to report to the full committee H. R. 30, granting the consent and approval of Congress to the Northeastern Water and Related Land Resources Compact. pp. D367-8
8. LEGISLATIVE PROGRAM. Rep. McCormack announced that the legislative appropriation bill for 1962 will be considered on Mon. pp. 7812-3, 7820
9. ADJOURNED until Mon., May 22. pp. 7820, 7851

SENATE

10. HOUSING. The "Daily Digest" states that the Banking and Currency Committee "ordered favorably reported an original bill embodying housing amendments of 1961" (p. D364). The Committee was granted permission until midnight Sat. to file a report on this bill (p. 7746).
11. TREASURY-POST OFFICE APPROPRIATION BILL, 1962. A subcommittee voted to report to the full committee with amendments this bill, H. R. 5954. p. D364
12. THE GOVERNMENT OPERATIONS COMMITTEE reported the following bills (p. 7743):  
S. 529, without amendment, to amend the Legislative Reorganization Act of 1946 to provide for more effective evaluation of the fiscal requirements of the executive agencies of the Government (S. Rept. 264). This bill provides for a Joint Committee on the Budget (14 members of the Appropriations Committees) to make recommendations for authorizing and appropriating legislation and various analyses, requires that the Budget include each year a special analysis of long-term construction and development programs, provides for Budget Bureau personnel to attend executive sessions of the Appropriations Committees upon request, requires that departmental estimates of cost be included in committee reports on authorizing bills, and makes a number of other amendments in the existing law.  
S. 540, without amendment, to authorize agencies of the Government to pay in advance for required publications (S. Rept. 268).  
S. 537, without amendment, to amend the Surplus Property Act of 1944 to revise a restriction on the conveyance of surplus land for historic monument purposes (S. Rept. 265).  
S. 796, without amendment, to amend the Federal Property and Administrative Services Act so as to authorize the use of surplus property by State distribution agencies (S. Rept. 271).
13. PERSONNEL. The Commerce Committee reported without amendment S. 1456, to authorize an additional Assistant Secretary of Commerce (S. Rept. 262). p. 7743

H.R. 6874, authorization for appropriations for NASA.

Any further program will be announced as quickly as possible, and conference reports may be brought up at any time.

#### LEGISLATIVE APPROPRIATION BILL, 1962

**Mr. STEED.** Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tomorrow night to file a privileged report on the legislative appropriation bill for 1962.

**The SPEAKER.** Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. HORAN reserved all points of order on the bill.

#### TRAVEL EXPENSES OF GOVERNMENT EMPLOYEES

**Mr. ELLIOTT.** Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 283, and ask for its immediate consideration.

The Clerk read as follows:

*Resolved,* That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3279) to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Government Operations, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to re-commit.

**Mr. ELLIOTT.** Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN] and myself such time as I may consume.

Mr. Speaker, House Resolution 283 provides for the consideration of H.R. 3279, a bill to increase the maximum rates of per diem allowance for employees of the Government traveling on official business and for other purposes. The resolution provides for an open rule, waiving points of order, with 1 hour of general debate.

The purpose of H.R. 3279, as amended by the Committee on Government Operations, is to amend existing travel expense legislation so as to increase the maximum per diem rates, reimbursement for actual expenses, and mileage allowances for use of privately owned vehicles for civilian employees of the Government.

Travel expense legislation was last amended in 1955 at which time the current ceilings were set. In 1959, the

House approved legislation increasing the maximum per diem rates to \$15 per day, the mileage allowance from 10 to 12 cents per mile for autos and from 6 to 8 cents per mile for motorcycles, and authorizing the payment of parking fees for privately owned vehicles when on Government business. The Senate deleted the increases in mileage allowances when it passed the bill in 1960, but action was taken so close to the adjournment of Congress that it was not possible to hold a conference between the two Houses on the bill. The bill died, therefore, at the end of the session.

Certainly, it is unjust to require or expect Government employees to pay part of the cost of official travel out of their own pockets. This bill will help relieve such a situation by at least keeping up with the realistic travel costs which employees must incur in line with their duties.

I should like to emphasize the fact that the per diem rate prescribed in the bill is a maximum one and it is anticipated that the maximum rate will be allowed only where the circumstances clearly warrant it. The Bureau of the Budget and the heads of departments and agencies have both the authority and the responsibility to see that no deviation from this principle occurs.

Mr. Speaker, I urge the adoption of House Resolution 283.

At this time, Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. LANE].

**Mr. LANE.** Mr. Speaker, reimbursement of Government employees for travel expenses incurred during the course of official business, is regarded as just and necessary.

The only question is: Whether the prevailing rates are adequate?

The Government employee representatives all favored the increased provided by the bill before us, H.R. 3279.

It is noteworthy that the Bureau of the Budget, the State Department, and the General Accounting Office, also favor certain sections of this bill.

Six years have passed since travel expense legislation was last amended. It is obvious that legitimate travel and subsistence costs of Government employees while in travel status have increased substantially since 1955 when the current rates were established.

The lack of upward adjustment to realities has meant that Government employees have been forced to supplement official expenses out of their own pockets, or to practice austerity in the form of substandard accommodations and food.

The Bureau of the Budget presented figures showing that in the fall of last year, the average subsistence of Government employees while in travel status was \$15.13 per day. As of now, the costs are probably somewhat higher. The General Accounting Office, as a result of its experience, indicated that \$16 a day would be required. The maximum of \$16 per diem as provided for in this bill raising it from the current \$12 is a reasonable increase.

A recent report of the American Automobile Association states that it costs 12 cents per mile to operate a car that is driven 10,000 miles per year.

This supports the recommendation to increase maximum mileage rates for the use of privately owned vehicles, from the current 10-cent allowance to 12 cents per mile.

In 1959, the House took notice of the fact that ceilings set in 1955 were inadequate to meet actual costs, and approved legislation to increase the per diem, the mileage allowance, and to authorize payment of parking fees for privately owned vehicles when on Government business.

The Senate deleted the increases in mileage allowances when it passed the bill in 1960. Congress adjourned before this difference could be reconciled, and the bill died at the end of that session.

Never before was it so urgent for the Government to recruit and retain able people in its service. Private enterprise is doing considerably better than the Government in this respect. One reason is their alert response to the competition for personnel, and their up-to-date provision for compensation and incentives.

It seems to me that we must modernize the Government's travel expense formula, before we discourage competent civilians from entering into, or staying with employment by the United States.

The prudent increases recommended by H.R. 3279 on well-documented proof of the need for such legislation, merit approval by the House.

**Mr. BROWN.** Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Alabama [Mr. ELLIOTT], has explained the contents of this rule and the purpose thereof. It makes in order, under an open rule, with 1 hour of general debate, the consideration of H.R. 3279, a bill originating in the House Committee on Government Operations, for the purpose of increasing the maximum per diem allowance for employees of the Government traveling on official business, and for other purposes. It would increase the maximum per diem allowance for employees from \$12 a day to \$16 a day. Other employees traveling on official business would be authorized to receive as much as \$30 a day, providing such a limitation had been granted by the agency head. The allowance for use of personal automobiles on official business will be increased from 10 cents a mile to 12 cents a mile and on motorcycles from 6 cents to 8 cents a mile.

If I recall correctly, there was no opposition to this bill in the Committee on Government Operations. It was reported unanimously. And, there was no opposition in the Committee on Rules to its consideration.

Mr. Speaker, I have no request for time, so I yield back the balance of my time.

**Mr. ELLIOTT.** Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

**The SPEAKER.** The question is on the resolution.

The resolution was agreed to.

Mrs. GRANAHAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3279) to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 3279, with Mr. BONNER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mrs. GRANAHAN. Mr. Chairman, I yield myself such time as I may consume.

(Mr. GRANAHAN asked and was given permission to revise and extend her remarks.)

Mrs. GRANAHAN. Mr. Chairman, H.R. 3279, as amended, was reported by the Committee on Government Operations with but one dissenting vote and I am happy to be able to present this bill with nearly unanimous support. This speaks well for the Committee on Government Operations and its long interest in the fair treatment of our Federal employees.

This bill will increase the maximum per diem rates and mileage allowances for Government employees while traveling on official business in accord with the increased costs for subsistence expenses and for driving a car that have occurred since 1955 when the present rates were set.

Specifically, the bill would amend existing law in the following respects:

First. Increase the maximum per diem allowance from its present rate of \$12 per day to \$16 per day.

Second. Increase to \$30 from its present \$25 the maximum allowance for official travelers authorized to be paid on an actual expense basis.

Third. Increase to \$16 the maximum per diem for intermittent employees such as experts and consultants and persons serving the Government without compensation (w. o. c.'s);

Fourth. Increase to 8 cents per mile the present 6-percent allowance for the use of motorcycles;

Fifth. Increase to 12 cents per mile the present 10-cent allowance for the use of privately owned automobiles on official purposes;

Sixth. Authorize the payment to employees of parking fees incurred while using privately owned vehicles for official purposes.

Seventh. Make the following amendments recommended by the Department of State and concurred in by the Bureau of the Budget: First, transfer to the President authority now vested in the Bureau of the Budget to establish per diem rates outside the continental United States; second, allow reimbursement on an actual expense basis up to \$10 in excess of the set per diem rate for employees traveling outside the continental limits of the United States in unusual circumstances; third, preserve the special status of Alaska as a high

expense area; fourth, raise per diem of certain State Department Advisory Committees from \$10 to the regularly established per diem.

H.R. 3279 is similar in its most important provisions to H.R. 5196 which passed this House in 1959. That bill provided for a \$15 maximum per diem and the same mileage rates contained in the present bill. Unfortunately, the Senate did not act on the measure for nearly 10 months and returned the bill to the House with amendments near the end of the 86th Congress. A conference could not be arranged to reconcile the views of the two Houses and the bill died as a result.

Since 1959, costs have continued to rise; hence we now recommend the maximum per diem rate, and I emphasize "maximum," of \$16 per day instead of the \$15 proposed in the last Congress.

Our justification for the increased rates are based primarily on the following information:

First. Every major employee organization recommended the increases contained in the bill. The groups I shall name either testified or presented written statements—all of which are contained in the printed hearings: The American Federation of Government Employees; the Government Employees Council, AFL-CIO; the National Association of Internal Revenue Employees; the National Federation of Post Office Motor Vehicle Employees, AFL-CIO; the United Federation of Post Office Clerks; the National Society of Federal Engineers, Scientists, and Allied Professionals; Policemen's Association of the District of Columbia; National Customs Service Association; National Association of Post Office and Postal Transportation Service Mail Handlers, Watchmen, Messengers, and Group Leaders; National Association of Post Office and General Services Maintenance Employees; National Federation of Federal Employees; National Association of Postal Supervisors.

Some of the employee testimony was striking in the examples of sacrifices that many of our Federal employees must make to carry out their official travel assignments. One Internal Revenue employee reported he actually lost \$12.75 on a 2-day trip to Chicago. You will find this on page 42 of the hearings.

Second. The General Accounting Office favored the \$16 per diem based on a survey of its employee travel and in order to meet the costs of subsistence in the higher cost areas.

Third. The Bureau of the Budget advised us that its most recent survey, conducted in the fall of 1960, indicated subsistence costs of about \$15.13 per day. Mr. Chairman, we believe this average would certainly justify a maximum of \$16 per day. The Bureau, however, recommended that he hold to \$15. We did not agree.

Fourth. The personal experiences of our committee members indicated a steady increase in subsistence costs which may be going higher all the time.

Fifth. The Bureau of the Budget presented a chart, printed on page 13 of the hearings, showing its study of the costs

of operating a car in 1960 was 11.98 cents per mile. However, it did not approve our increase of the maximum from 10 to 12 cents per mile. This we could not understand. Their own figures justify it.

Sixth. A survey by the American Automobile Association showed that a low-priced car driven 10,000 per year would cost about 12 cents per mile to operate.

All in all, Mr. Chairman, we believe the available evidence fully justifies the increases contained in the bill.

The provisions for the reimbursement of parking fees incurred while on official business was recommended by the Bureau of the Budget. Many Members may not realize that the Government is not now authorized to reimburse its employees for this expense. On-the-street parking in the vicinity of public buildings has dwindled almost to the vanishing point. As all of us know, the use of parking lots is expensive. This is a legitimate expense and our bill will allow reimbursement.

In 1955, on the recommendation of the Bureau of the Budget, we added to the law a provision authorizing the payment of actual expenses up to \$25 per day in unusual cases where the maximum per diem would be much less than the actual expenses. We raise this ceiling to \$30 in line with the general increase in costs.

The amendments recommended by the State Department and approved by the Bureau of the Budget are reported with the bill. See State Department report. Although the Bureau has the authority to set per diem rates for travel outside the United States, it has depended upon the State Department for advice on what the rates should be in various countries at various times. Under the bill this responsibility would be transferred to the President, who plans to delegate it to the State Department. The formula devised for reimbursement on an actual expense basis where there are unusual circumstances and the actual expenses of a trip are much more than the per diem rate set, is the maximum per diem plus \$10. This formula is based on the years of experience the State Department has had in this field and seems practicable. As noted before, this is expected to be used only infrequently.

Let us remember that the law only establishes a ceiling. The departments and agencies may and do set the appropriate rates for per diem and mileage under the ceiling based on their own experiences and requirements for travel in different areas. Some high, some low, some medium, but all under the ceiling.

Furthermore, the cost estimates are averages with some falling above and some below. The committee feels that the ceiling should be realistic enough to take care of cases that may cross the border.

We believe the Travel Expense Act under regulations issued by the Bureau of the Budget has been administered conservatively in the past and see no reason why there should be any abuse under the changes we make.

We only wish to see that the legitimate expenses of Government are borne

by the Government and not by its loyal employees.

I hope this bill will be passed by an overwhelming vote.

Mr. McCORMACK. Mr. Chairman, will the gentlewoman yield?

Mr. GRANAHAN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I want to congratulate the gentlewoman from Pennsylvania on introducing this bill. I also want to compliment the Committee on Government Operations, but I am sure every member of that committee will agree with my observation that it was due to the sound logic and the persuasiveness of the gentlewoman from Pennsylvania that the bill was reported out, and that it is such a favorable bill. The gentlewoman serves the people of her district not only with outstanding ability and vision but with courage. I know the Federal Government employees will forever appreciate what the gentlewoman from Pennsylvania has done not only in connection with this bill but in connection with other legislation, because she is always thinking of trying to improve. Again I congratulate the distinguished gentlewoman from Pennsylvania.

Mrs. GRANAHAN. I thank the gentleman from Massachusetts.

Mr. FASCELL. Mr. Chairman, will the gentlewoman yield?

Mrs. GRANAHAN. I yield to the gentleman from Florida.

Mr. FASCELL. Is it not true that the Committee on Government Operations found no evidence of any abuse—that is, substantial abuse in any department under this program?

Mrs. GRANAHAN. That is correct.

Mr. FASCELL. In other words, this is a very tightly run program.

Mrs. GRANAHAN. That is correct.

Mr. FASCELL. I believe you stated that the per diem rate is a maximum rate, but that the departments, under the authority granted to them, may set the rate at an amount less than the rate fixed in this bill as experience dictates it is possible; is that correct?

Mr. GRANAHAN. That is correct.

Mr. FASCELL. Mr. Chairman, I want to support the gentlewoman in her interest in this bill, and I join with her in the remarks she has made. She has carefully prepared the case on this in the full committee and, certainly, in her presentation here on the floor today she has been most clear and logical in her analysis. I want to commend her for continuing the fight she has made over the years to take care of these matters which to some may not seem too important, but which in reality are highly essential because they affect vitally the lives of the millions of our Federal employees.

Mrs. GRANAHAN. I thank the gentleman from Florida.

Mr. GROSS. Mr. Chairman, will the gentlewoman yield.

Mrs. GRANAHAN. I yield to the gentleman from Iowa.

Mr. GROSS. I note on page 11 of the report that the Bureau of the Budget says that 10 cents a mile for automobiles is not only adequate but is higher than

similar types of allowances made by most private businesses.

Mrs. GRANAHAN. That was their old report. This is a new report from the Bureau of the Budget.

Mr. GROSS. This report from the Bureau of the Budget is dated April 10, 1961.

Mr. FASCELL. Mr. Chairman, will the gentlewoman yield?

Mrs. GRANAHAN. I yield to the gentleman from Florida.

Mr. FASCELL. As I recall the evidence submitted by the Bureau of the Budget to the committee, and I think the gentlewoman is right in her remarks about the matter, their cost figure was 11.98 cents. When they first wrote it out it was as stated in the report, but as I recall the facts show that on the basis of their own system they came up with 11.98 cents, and the committee adopted 12.

Mrs. GRANAHAN. That is correct. I am sorry I misunderstood the question of the gentleman from Iowa.

Mr. GROSS. 11.91 was their revised estimate of cost.

Mr. FASCELL. The gentleman is absolutely correct.

Mr. GROSS. That was the information I wanted to get.

Mr. TOLL. Mr. Chairman, will the gentlewoman yield?

Mrs. GRANAHAN. I yield.

Mr. TOLL. I want to commend the distinguished gentlewoman from Pennsylvania, my colleague from Philadelphia, for her splendid presentation of this matter. I wish to associate myself with her remarks for I believe she has submitted a reliable approach to the solution of this problem.

Mr. MACK. Mr. Chairman, will the gentlewoman yield?

Mrs. GRANAHAN. I yield.

Mr. MACK. On page 6 of the report, the statement is made that the rate is increased from 10 cents to 12 cents per mile for the operation of private automobiles. Is it not true that the rate is also increased from 10 cents to 12 cents for the use of private airplanes?

Mrs. GRANAHAN. Yes; that is included.

Mr. MACK. Has the committee done any studying or conducted any survey of the cost of operating private airplanes to see whether or not the 12-cent rate is justified?

Mrs. GRANAHAN. No, we have not. We included private planes in the 12-cent rate, but I do not know that there are very many employees who have their own planes to travel in.

Mr. MACK. I believe there are quite a few employees in the Federal Aviation Agency who do own their own planes and use them for Government business. I hope the committee will at same time in the future investigate the cost to see whether or not a higher rate would be justified.

Mr. HARRIS. Mr. Chairman, will the gentlewoman yield?

Mrs. GRANAHAN. I yield to the gentleman from Arkansas.

Mr. HARRIS. I asked the gentlewoman to yield for the purpose of asking a question: Do these adjustments apply

to those in the judiciary as well as those in the executive branch of the Government?

Mrs. GRANAHAN. It applies to all Government employees, and all who come in as temporary employees.

Mr. HARRIS. In other words, marshals and Federal court officials?

Mrs. GRANAHAN. Not marshals.

Mr. HARRIS. Not marshals?

Mrs. GRANAHAN. No.

Mr. FASCELL. They have a special law.

Mr. DERWINSKI. Mr. Chairman, will the gentlewoman yield?

Mrs. GRANAHAN. I yield to the gentleman from Illinois.

Mr. DERWINSKI. May I first of all commend the gentlewoman and the members of her committee for taking this interest in the obvious need for adjusting these allowances to cover the increased cost of living and other items. However, there is a matter about which I would like to ask a question or two, and that is what is the actual need for transferring to the President the authority now vested in the Bureau of the Budget. This seems to me to be purely a paper transfer for in effect the Bureau of the Budget answers to the President anyway. Just what do we gain by officially transferring this authority to the President?

Mrs. GRANAHAN. I think possibly one of the reasons was for people traveling outside the continental United States. The President will delegate this to the State Department. He will make the decision, and the State Department will handle it instead of the Bureau of the Budget. I think that is correct.

Mr. DERWINSKI. One other question. Do we have any statistics about the actual difference in expenses in Alaska as compared to the rest of the Nation?

Mrs. GRANAHAN. I really do not know. We do not do a thing about Alaska except to preserve the present status.

Mr. DERWINSKI. Here is the reason I asked the question: It would seem to me it would be incumbent upon some committee of Congress to determine whether or not Alaska will indefinitely receive this special treatment. I was wondering if you have any statistics to back up the allowance traditionally given for service in Alaska or shall we simply bring Alaska into balance with the other 49 States?

Mr. FASCELL. Mr. Chairman, will the gentlewoman yield?

Mrs. GRANAHAN. I yield to the gentleman from Florida.

Mr. FASCELL. The gentlewoman is correct that the bill preserves its present status. Expenses are higher, as shown by the Bureau of the Budget. We would hope at some time quickly we can do away with that differential, but the facts are as of today we cannot or should not.

Mr. DERWINSKI. I thank the gentlewoman from Pennsylvania.

Mr. HOLIFIELD. Mr. Chairman, will the gentlewoman yield?

Mrs. GRANAHAN. I yield to the gentleman from California.

**MR. HOLIFIELD.** As a further contribution to the understanding of the gentleman, sections 3 and 4 of the Travel Expense Act of 1949 do provide that the Bureau of the Budget in certain situations can prescribe a special travel allowance over and above the \$16 a day.

**Mrs. GRANAHAN.** If need is shown.

**MR. HOLIFIELD.** If need is shown, and need can be shown in connection with Alaska because the cost of living in Alaska is much higher than in the rest of the Nation.

**Mrs. GRANAHAN.** The per diem allowances are flat rates, and they can be lower than that.

(Mrs. GRANAHAN asked and was given permission to revise and extend her remarks.)

**MR. HOFFMAN** of Michigan. Mr. Chairman, I yield myself 5 minutes.

(Mr. HOFFMAN of Michigan asked and was given permission to revise and extend his remarks.)

**MR. HOFFMAN** of Michigan. Mr. Chairman, this is just another bill calling for additional expenditures of tax dollars.

The increases are specifically set forth on page 3 of the report, as follows:

Specifically, the bill would—

(a) Increase the maximum per diem allowance from its present rate of \$12 per day to \$16 per day;

(b) Increase to \$30 from its present \$25 the maximum allowance for official travelers authorized to be paid on an actual expense basis;

(c) Increase to \$16 the maximum per diem for intermittent employees and persons serving the Government without compensation;

(d) Increase to 8 cents per mile the present 6-cent allowance for the use of motorcycles;

(e) Increase to 12 cents per mile the present 10-cent allowance for the use of privately owned automobiles on official business;

(f) Authorize the payment to employees of parking fees incurred while using privately owned vehicles for official purposes;

(g) Transfer to the President authority now vested in the Bureau of the Budget to establish per diem rates outside the continental United States;

(h) Allow reimbursement on an actual expense basis up to \$10 in excess of the set per diem rate for employees traveling outside the continental limits of the United States in unusual circumstances;

(i) Preserve the special status of Alaska as a high expense area;

(j) Raise per diem of certain State Department advisory committees from \$10 to the regularly established per diem.

I have no illusion about the fate of this bill. It undoubtedly will go through without a record vote, with very few if any votes against it.

However, attention is called to the fact that the present situation which confronts us would indicate, to some at least, perhaps to the hardshell reactionaries, if you want to so characterize them, that we should pay some attention to our national financial situation.

Looking through some old files this morning, I found a statement made on July 30, 1932, that I think is still good today:

Revenues must cover expenditures by one means or another. Any government, like any family, can for a year spend a little more than it earns. But you and I know that a

continuation of that habit means the poorhouse.

**Franklin D. Roosevelt** made that statement during his first campaign. That advice is still good. No intelligent, interested citizen of voting age does not know that for a long, long time the Congress has been traveling that road. If any proof of that is needed, you will find it in the RECORD where from time to time we have raised the limit on our national debt.

Carrying on the Kennedy spending program of just last week—of course, that is water over the dam—we authorized the Economic Council to increase, the salaries, the compensation, of their employees.

On the 25th of last month the Chairman of the President's Council of Economic Advisers, Walter W. Heller, appeared before the Committee on Government Operations to ask Congress to lift the ceiling on appropriations for salaries of members, officers and employees of the Council. Congress, in its wisdom, has placed a \$35,000 ceiling in the Employment Act of 1946.

While the House refused to go along with a "sky is the limit" type of authorization, it agreed, on May 11, to setting a new ceiling of \$2 million, which, according to the gentleman from Wisconsin [Mr. REUSS] was only about four times as much as the Council would request for fiscal year 1962. As I understand it, this sound compromise was worked out as a "bipartisan venture" between the gentleman from Wisconsin [Mr. REUSS] and the gentleman from Ohio [Mr. Brown]. I have been advised that the limitation of \$2 million was stricken from the bill by the Senate, so the ceiling is unlimited.

We were told at the time that the Council needed this extra money to continue its growing functions and to assume new responsibilities which the President plans to assign it.

Perhaps we have put our money on the wrong horse. It now appears from an article in the Washington Daily News for May 16, 1961, that the record of economists now helping the President forge his multi-million-dollar welfare state is not too good. In an article entitled "Germans Prospered When They Rejected U.S. Advice," Scripps-Howard Staff Writer Roger Stuart states that the extraordinary prosperity that the West Germans have achieved "resulted from practices which were precisely the reverse" of what a team of American economists, including Prof. Walter Wolfgang Heller, recommended in a report, the contents of which Stuart says the State Department is opposed to disclosing. The reason for the State Department attitude he gives as follows:

First, because it would reveal how poorly advised were the Germans by the team of American economists, since the extraordinary prosperity that has been achieved resulted from practices which were precisely the reverse of what the report advised.

Second, because those who prepared the report include economists now helping to shape the Kennedy administration's multi-billion-dollar program of Federal action and controls.

The Marshall plan team of 1951, whose prophecies were to prove so wrong in the case of West Germany, included Prof. Walter Wolfgang Heller, now serving as chairman of President Kennedy's three-member Council of Economic Advisers.

The gentleman from California [Mr. Moss], chairman of the Special Government Information Subcommittee, whose zeal for the public's right to know has flagged so noticeably since January 20, 1961, may find inspiration in this example of withholding information by the Government.

I read the newspaper article to which reference was just made:

GERMANS PROSPERED WHEN THEY REJECTED U.S. ADVICE  
(By Roger Stuart)

A 10-year-old report and analysis of the West German economy is the button in a childish game of concealment now being played by the State Department.

The 446-page document was prepared by a Marshall plan team of U.S. economists in 1951 and was submitted to the German Minister of Finance with recommendations for action.

When the State Department was first asked about the report officials said they could not find their copy. Later they admitted it was in the files, but said it couldn't be released because its classification was uncertain. (It was recently declassified from "secret.") However, information about the advice was readily available from other sources.

Why do State Department officials, despite the report's declassification, oppose disclosure of its contents? The answer apparently is twofold:

First, because it would reveal how poorly advised were the Germans by the team of American economists, since the extraordinary prosperity that has been achieved resulted from practices which were precisely the reverse of what the report advised.

Second, because those who prepared the report include economists now helping to shape the Kennedy administration's multi-billion-dollar program of Federal action and controls.

The Marshall plan team of 1951, whose prophecies were to prove so wrong in the case of West Germany, included Prof. Walter Wolfgang Heller, now serving as Chairman of President Kennedy's three-member Council of Economic Advisers.

Mr. Kennedy made it clear before his inauguration last January that the council would become a key element within the Presidential office.

The President-elect said the CEA would deal not only with the state of the economy but with our goals for economic progress. And he was leaving it to the chairman, he said, to find ways and means of providing us with the best possible staff assistance and advice in the major fields of economic and social policy with which the administration will be concerned.

Among other things, Dr. Heller and his 1951 teammates told Dr. Ludwig Erhard and his Finance Ministry that West Germany couldn't achieve the necessary rate of industrial expansion if it kept worrying about inflation.

A certain amount of inflation wouldn't hurt, it was suggested, and the Germans shouldn't confuse wartime inflation with the normal operations of peacetime credit.

Moreover, the newly organized ministry was told that it had an excessive concern for price stability and was overly timid in allowing the creation of new credit.

But Dr. Erhard knew from better experience in the catastrophic days following the First World War what terrible things might occur as a result of runaway inflation.

"We shall continue to resist inflation," he declared. And West Germany, to its great good fortune, did.

The report, calling for easy money, said that a rate of interest high enough to stimulate any large volume of personal savings would seriously curtail investment.

Nevertheless, West Germany maintained its high rate of interest—and watched both personal savings and investments grow.

Rather than grant industry liberal depreciation allowances, a "compulsory investment program" should be put in force, said the American fiscal advisers, adding that "the nostalgic hopes \* \* \* looking toward a revival of the 19th century role of the capital market plays no such role in any modern country and there is no prospect that it will."

Dr. Erhard, who had studied his economics under a professor whose slogan was "free enterprise is the essence," saw to it that West Germany kept its liberal depreciation policy. Industry expanded rapidly, and the country prospered.

By the end of 1951, John J. McCloy, U.S. High Commissioner for Germany, was able to report that already a "transformation" had occurred which "might almost be called a miracle," and he added:

"West Germany has largely reestablished itself as a solid, productive country. Its production has increased from 1947 three-fold, until it has become the second largest industrial producing country in Western Europe."

The steady growth and development since then provide one of the brightest pages in the history of free enterprise—anywhere and in any age.

**Mr. GROSS.** Mr. Chairman, will the gentleman yield?

**Mr. HOFFMAN** of Michigan. I yield to the gentleman from Iowa.

**Mr. GROSS.** I think the record ought to show that the amount for salaries was raised from \$345,000 to a limit of \$2 million by the House, and the other body took it off completely. Now the sky is the limit.

**Mr. HOFFMAN** of Michigan. That is right. Some of the members of the committee went along with that increase. I did not.

Now, why should we pick up the adviser whose advice was rejected by Germany. Germany turned down the methods and the policies suggested by Dr. Heller, practiced the opposite, and the result was a quick recovery and prosperity for Germany. Why should we authorize Dr. Heller, whose advice has been demonstrated to be unsound, to spend any amount that he may wish for employees?

Constituents in my district, should they learn of our action, would say we were nuts, and certainly we are just giving our own economy a push along the road to bankruptcy.

**Mr. GROSS.** If the gentleman will yield further, does he know whether the Heller of whom he speaks, is of the firm of Heller & Associates, consultants, that have taken quite a bit of change out of this Government?

**Mr. HOFFMAN** of Michigan. No, I do not. But that fact, if it be a fact, would be nothing new.

Permit me to go back and say to my dear friends on the majority side, you have had control of the Congress for a long, long time, and so far as I can find,

by looking over the CONGRESSIONAL RECORD, at no time have you failed to increase our spending and our national debt.

Permit me to return to an earlier statement on sound fiscal policy made by your beloved Franklin Delano Roosevelt.

Twice in that year, when he was seeking votes, he talked sense, made promises, the first, as was stated, on the 30th day of July 1932, at Albany, N.Y., and again on October 19, following. He advised us that no nation, however rich, could continue, as we have been doing, to spend beyond our income. Here are his words on the latter occasion:

Now, the credit of the family depends chiefly on whether that family is living within its income. And this is so of the Nation. If the Nation is living within its income, its credit is good.

If, in some crisis, it lives beyond its income for a year or two, it can usually borrow temporarily on reasonable terms.

But if, like a spendthrift, it throws discretion to the winds, is willing to make no sacrifice at all in spending, extends its taxing to the limit of the people's power to pay and continues to pile up deficits, it is on the road to bankruptcy.

We have been on that bankruptcy road a long, long time and, though we know the end, we go right along spending. We turn over to this Dr. Heller, whose advice is as bad as anything can be and has been so demonstrated, authority to spend unlimited sums for the hiring of employees selected by him, to advise the President what he should do to avoid national financial ruin.

If our constituents ever learn what we have been up to and realize their responsibilities, realize the burden that is being put upon them and those to come after, they will, as they should, kick us out of Congress. Apparently, however, we will go along and prove the truth of the statement made by Ben Franklin who said that "Experience keeps a dear school, but fools will learn in no other."

There is another aspect to the situation which confronts us today. There is reason to believe that President Kennedy won his office because of labor's support; because, as an overall policy, he advocated giving everyone whatever might be desired and because there was a fraudulent counting of the vote in some of the larger cities.

Be that as it may, events subsequent to the inauguration have demonstrated that expert politicians as they are—and we leave out the word "unscrupulous"—this administration is determined to build here in Washington an aggressive, efficient political machine, as it did during the campaign.

Most of us know how executive departments' employees—some of them career employees—have been kicked out or downstairs to make room for Democrats.

In addition the President has, on the civil rights issue, intimated that by Executive order he would make effective policies which, under the Constitution, should be determined by legislation.

It has already become obvious that the Labor Department—the handmaiden of

the unions, especially of Reuther, long illegally, through force and violence, accomplishing his objectives—is a power in this administration.

It is obvious that advantages resting in the executive departments will be used to build up the authority of the President to enable him, or those to whom he may delegate the power, to win votes.

We know by what happened in connection with the consideration and enacting of the wage-hour bill that trades were made for votes.

We have the bill increasing the number of Federal judges, a measure held up last year and now enacted to take care of Democrats or judges or lawyers believing in the same political line of thought as do many of the President's advisers.

If you want something concrete to sink your teeth into, listen to section V(a) of this bill, as set forth on page 5 by the committee report:

Section V amends the Travel Expense Act by—

(a) Transferring from the Bureau of the Budget to the President the authority for setting per diem rates for civilian employees traveling outside of the continental United States. It is expected that the President will delegate this authority to the Department of State which already recommends to the Bureau what the rates should be.

Then drop down to subsection (d) of the same paragraph, which reads as follows:

(d) Making the same changes in the Administrative Expenses Act regarding experts and consultants employed intermittently as (a), (b), and (c) above made in the Travel Expense Act with reference to regular civilian employees. Thus, the authority of the Bureau of the Budget to set per diem rates outside of the United States would be transferred to the President.

You note the power given to the President to fix the compensation of some Federal employees, and you note that in the first section of the subsections cited the President is given authority to delegate that power to the Department of State?

Has the record not disclosed enough incompetency—and I am not now referring to Cuba—enough waste, extravagance, and corruption to justify opposition to this transfer?

Just remember, please, that in the days to come, when complaint is made of waste and corruption in connection with foreign aid—and the record of the past is replete with it—that here today we are opening the doors to additional avenues for actions of that nature.

For myself, I want no part in any such procedure, no matter under what guise it may be offered.

(Mr. FINDLEY (at the request of Mr. AVERY) was given permission to extend his remarks at this point in the RECORD.)

Mr. FINDLEY. Mr. Chairman, this bill, like most of the others passed this session, will feed the fires of inflation. It will increase the cost of government without a corresponding increase in services rendered. That fact cannot be disputed. It will increase the cost of government without making provision

for a corresponding increase in tax revenue.

Multiply the increased allowances by the hundreds of thousands of people eligible for per diem and travel allowances, and one can readily see the magnitude of the proposal.

Present allowances are not munificent but neither do they impose hardship.

Those interested in holding the line against inflation should oppose this bill.

(Mr. HALL (at the request of Mrs. WEIS) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HALL. Mr. Chairman, in view of today's colloquy on the floor of the House and the number of articles printed in yesterday's Appendix of the RECORD, I call attention to the following economic analysis which appeared in the May 13 issue of the Christian Science Monitor. When the dean of American economists, Dr. Arthur F. Burns, points out serious gaps in the reasoning of the President's Council of Economic Advisers, I think there is cause for grave concern. As the article points out, "This use of facts and their resulting interpretation is a disservice to the economics profession. Even more serious, when such an analysis is used as the foundation of national policies it becomes dangerous." I hope all Members of the House will have an opportunity to review this article which refutes the "neostagnationist" theories of the Kennedy economic team.

#### THE BURNS MEGATON BOMB

(By Nate White)

BOSTON.—Dr. Arthur F. Burns, the dean of American economists, has taken issue with the theories of stagnation which the present official economists of the Kennedy administration have been advancing.

The words of Dr. Burns ring with a background of factual clarity. Here is a man who has devoted his professional life to finding out what are the ingredients of business cycles, recessions, booms. He has no political ax to grind, and he has no commitments to the Republican Party or any other party to develop a theory of political economics.

Dr. Burns is not a political economist. He is a man dedicated to scientific fact-finding and analysis. He is president of the National Bureau of Economic Research, which is a private, nongovernmental, objective organization for factual analysis of economic movements.

Dr. Burns worked with the bureau's founder, the late Wesley Mitchell, in developing the early series on business cycles. He is the Einstein of the economics profession. He carried this valuable research work much further along, and his writings on the subject are the textbooks used throughout the world as source material on business cycles. His associates, Dr. Solomon Fabricant and Dr. Geoffrey Moore, together with Dr. Burns, constitute a triumvirate of fact and analysis which is grounded on bedrock facts.

Dr. Burns has dropped a megaton bomb. When he calls the economic theories of the Kennedy economic team "neostagnationist," it is time to listen.

He agrees with the thoughts advanced by Dr. Paul A. Samuelson, professor of economics at Massachusetts Institute of Technology, who did the early spade work for Mr. Kennedy's economic analysis. Dr. Walter W. Heller, chairman of the President's Council of Economic Advisers, the other CEA members, and Labor Secretary Arthur J.

Goldberg that unemployment is disturbing, that the lag in the economy is disturbing, but he thoroughly disagrees on the interpretations, either of the causes or the trend.

Furthermore, Dr. Burns finds that the Kennedy group deliberately chose a point of departure for their growth rate which gives, as he sees it, an incorrect view of the economy—one of slow growth. If they had chosen a different departure point, the growth rate would be greater.

Washington journalists have accepted the Kennedy economic analysis and as a result a theory has been effectively spread through America and the world that the United States is in a posture of economic stagnation.

To an economic scientist such as Dr. Burns, especially the economic scientist who knows more about business cycles than any other, this use of facts and their resulting interpretation is a disservice to the economics profession. Even more serious, when such an analysis is used as the foundation of national policies it becomes dangerous.

Dr. Burns does not spare the Eisenhower administration, in which he served, the responsibility for its part in the recession now ending. He puts the blame on the sudden change in Federal finances from an annual deficit rate in 1958 of \$17 billion to an annual surplus rate of \$7 billion—a swing of \$24 billion in little more than a year; the Government's restraints on expansion, including Federal Reserve action to raise interest rates; and the steel strike.

These factors stopped an expansion from the 1958 recession, Dr. Burns reasons, but he also argues that they were artificial factors, superimposed by decisions, and were not basic problems with the growth process.

Dr. Burns thinks the "neostagnationists" have wrongly reasoned and have based their conclusions on a too narrow period of time.

In answer to the CEA's conclusion that "we face a stubborn problem of chronic slack, and the road to recovery is a long one," Dr. Burns says, "there is no chronic slack of our economy. \* \* \* Full employment is not a remote possibility. \* \* \* The underlying forces of economic expansion are strong. \* \* \* We would be courting inflation and a gold crisis if we now arranged new governmental spending programs so that they would mature when the economy is already advancing without them."

The issue between the economic schools of thought is thus joined. The Samuelson-Heller-Goldberg school will be heard from without question. They have been challenged by the dean of their profession, and they cannot remain quiet.

What will be even more interesting, however, will be the trend of events. Time is rushing on. The pace of the American economy is proceeding much more rapidly than seemed possible from the January forecasts.

Facts will soon catch up with theory, in other words, and the sooner the better.

Mrs. GRANAHAN. Mr. Chairman, I have no further requests for time.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield to the other member of our party, the gentleman from Iowa [Mr. GROSS], 10 minutes.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, I am still not clear as to this language on page 5 of the report:

Transferring from the Bureau of the Budget to the President the authority for setting per diem rates for civilian employees traveling outside of the continental United States. It is expected that the President will delegate this authority to the Department of State which already recommends to the Bureau what the rates should be.

Does the Bureau of the Budget transfer to the President, and through him to any other department of Government, the same authority, or is this confined solely to the Department of State?

Mrs. GRANAHAN. This is confined to the Department of State.

Mr. GROSS. For what reason?

Mrs. GRANAHAN. This is for travel outside of continental United States. They are more familiar with travel abroad, the expenses of it and the conditions in various countries.

Mr. GROSS. Does the gentlewoman mean that that information is not available to the Bureau of the Budget, the cost of travel outside continental United States?

Mrs. GRANAHAN. They are not as qualified as the State Department in that regard. They are traveling all the time and are very familiar with those conditions.

Mr. GROSS. There is no such delegation of power to any other department of Government, is that correct?

Mrs. GRANAHAN. No, there is not.

Mr. GROSS. This is the only one?

Mrs. GRANAHAN. This may in the end be more economical. You are dealing here with people who really know what the expenses are. And this is just a ceiling, they do not have to spend this much.

Mr. GROSS. I certainly hope the gentlewoman is right; that it will produce a little economy.

Mr. HOFFMAN of Michigan. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Travel Expense Act of 1949 (5 U.S.C. 836) is amended by striking out "\$12" and inserting in lieu thereof "\$16", and by striking out "\$25" and inserting in lieu thereof "\$30".*

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 1, line 5, change the comma to a period and strike out the remainder of the sentence.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 1, line 7: "Sec. 2. Section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b-2) is amended by striking out '\$15' and inserting in lieu thereof '\$16', and by striking out '\$25' and inserting in lieu thereof '\$30'."

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 1, line 9, strike out the comma, insert a period and strike the remainder of the sentence.

The committee amendment was agreed to.

The Clerk read as follows:

Sec. 3. Section 4 of the Travel Expense Act of 1949 (5 U.S.C. 837) is amended by striking out "6 cents" and inserting in lieu thereof "8 cents", and by striking out "10

cents" and inserting in lieu thereof "12 cents".

**SEC. 4.** The second sentence of section 4 of the Travel Expense Act of 1949 (5 U.S.C. 837) is amended by inserting immediately after "the actual cost of" the following: "parking fee".

**The CHAIRMAN.** The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 9, insert the following:

"**SEC. 5. (a)** Section 3 of the Travel Expense Act of 1949, as amended (5 U.S.C. 836), is amended—

"(1) by striking out the words 'by the Director of the Bureau of the Budget' which appear before the first proviso and inserting in lieu thereof 'by the President or his delegate (who may be the Director of the Bureau of the Budget or any other officer of the Government)' and

"(2) by striking out the last proviso and inserting in lieu thereof the following proviso: 'And provided further, That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7, prescribed conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of \$30, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits'.

"**(b)** Section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2), is amended—

"(1) by striking out the words 'by the Director of the Bureau of the Budget' which appear before the proviso; and

"(2) by striking out the last proviso and inserting in lieu thereof the following proviso: 'Provided, That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7 of the Travel Expense Act of 1949, as amended (5 U.S.C. 840), prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of \$30, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits'.

"**(c)** Section 48 of the Alaska Omnibus Act (73 Stat. 141; 48 U.S.C. note prec. sec. 23) shall not apply with respect to the amendments made by this section.

**SEC. 6.** The last proviso of section 3 of the Act of July 30, 1946 (22 U.S.C. 2870), is amended to read as follows: 'Provided, however, That he may be paid transportation and other expenses as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2)'.

**SEC. 7.** Section 5 of the Act of July 30, 1946, as amended (22 U.S.C. 287q), is amended by striking out 'Under such regulations as the Secretary of State may prescribe, the actual transportation' expenses of experts attending such conferences shall be borne by the Department of State, and

they shall be allowed a per diem of \$10 in lieu of subsistence and other expenses, for the period of actual attendance and of necessary travel.' and inserting in lieu thereof the following: 'The Department of State may pay their transportation and other expenses as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2), for the period of actual attendance and of necessary travel.'

**SEC. 8.** Paragraph (6) of section 801 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1471(6)) is amended by striking out 'but he may be paid his actual transportation expenses, and not to exceed \$10 per diem in lieu of subsistence and other expenses, while away from his home in attendance upon meetings within the United States or in consultation with the Department under instructions.' and inserting in lieu thereof the following: 'but he may be paid his transportation and other expenses, as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2)'."

The committee amendment was agreed to.

**The CHAIRMAN.** Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. ALBERT) having assumed the chair, Mr. BONNER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 3279) to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes, pursuant to House Resolution 283, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

**The SPEAKER** pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

**The SPEAKER** pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

**The SPEAKER** pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

#### FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed a joint resolution of the following title, in which concurrence of the House is requested:

S.J. Res. 89. Joint resolution to amend section 217 of the National Housing Act to provide an interim increase in the authorization for insurance of mortgages by the Federal Housing Administration.

#### FEDERAL HOUSING ADMINISTRATION

**Mr. ADDONIZIO.** Mr. Speaker, I ask unanimous consent for the immediate

consideration of the joint resolution (S.J. Res. 89) to amend section 217 of the National Housing Act to provide an interim increase in the authorization for insurance of mortgages by the Federal Housing Administration.

The Clerk read the title of the joint resolution.

**The SPEAKER.** Is there objection to the request of the gentleman from New Jersey?

**Mr. HALLECK.** Mr. Speaker, reserving the right to object, and I shall not object, I wish to point out to the House that once again a squeeze play is being set up on FHA. This extension of FHA mortgage insurance authority is calculated to carry the FHA only until July. In other words, a new crisis for FHA is being planned deliberately so that further action will be necessary in the immediate future. The new threatened exhaustion of FHA insurance authority will be used as a club on the Congress to facilitate passage of this year's omnibus housing bill because it is in that bill that the new extension will be provided.

There are many things about this year's omnibus housing bill that are bad. The administration bill contains proposals which would undermine the basic soundness of the FHA program.

The bill would expand the already discredited public housing program by approximately 100,000 additional units. Perhaps of even more importance, the bill would vastly expand the authority of local public housing agencies.

Using their unjustified authority to issue tax exempt bonds, these agencies could buy, renovate and sell properties for other than low-income people. This poses a threat to our entire system of private enterprise mortgage financing. These local public agencies would even be given the power to buy raw lands surrounding our cities with no statutory restrictions as to when or how it would be developed.

I think it is safe to predict that when the omnibus housing bill comes before the floor of this House, it will provide for back-door spending exceeding \$8 billion.

I might add in passing that a companion measure before the Senate Banking Committee at the present time contains back door spending exceeding \$10 billion.

**Mr. Speaker,** I shall not object to this resolution granting the FHA an additional \$1 billion of mortgage insurance authority because I am informed that without this extension it would be necessary for the FHA to initiate a rationing program on commitments beginning next week.

Such an occurrence would be most unfortunate because it would come right at the real start of this year's building season and right at a time when housing, without any stimulus from any new liberal housing legislation, is rapidly picking up in activity, giving every evidence of a vigorous recovery.

Mr. Speaker, although I give my support to this resolution, I must strenuously object to the subterfuge that is implicit in it.

I deeply deplore these sandbagging tactics that are employed to make the FHA a hostage to unsound housing legislation.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the Senate joint resolution?

Mr. HOFFMAN of Michigan. Mr. Speaker, I object.

#### ADJOURNMENT TO MONDAY NEXT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

#### DISPENSING WITH CALENDAR WEDNESDAY BUSINESS NEXT WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

#### FEDERAL HOUSING ADMINISTRATION

(Mr. McCORMACK asked and was given permission to address the House for 1 minute.)

Mr. McCORMACK. Mr. Speaker, I hope the gentleman from Michigan [Mr. HOFFMAN] will reconsider his objection. I am not going to enter into a discussion of the remarks made by the minority leader about "sandbagging" because there is nothing like that at all. This is one of these emergency situations, and this is not the first time that this has arisen. It is vitally important in connection with the construction of houses that there be a continuity of the program. I am informed that on next Monday it would cause quite a disturbance in the construction business in connection with new houses and so forth, and I hope under the circumstances, recognizing the great value of this particular program and the necessity for the passage of this bill, that the gentleman from Michigan will withdraw his objection.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I am glad to yield to my colleague.

Mr. HALLECK. Two of our Members on the committee would likewise like to put their statements in the RECORD at this point, and I would hope that that would be permitted.

Mr. McCORMACK. If my colleague wants to make such a request now, I am glad to yield to him for that purpose.

Mr. WIDNALL. Mr. Speaker, I want to reserve the right to object and to make a statement.

Mr. McCORMACK. As our colleague realizes, of course, we have passed that stage of the proceedings and the gen-

tleman can ask permission to extend his remarks, of course, but at this time I am trying to persuade my friend from Michigan to reconsider the objection he made to the present consideration of this legislation.

Mr. HALLECK. Mr. Speaker, if I may propound a parliamentary inquiry, if the gentleman from Michigan were to withdraw his objection, then I take it other Members could reserve the right to object and make brief statements if they wish to do so.

Mr. McCORMACK. That is correct but I hope that the gentleman from Michigan will withdraw his objection and allow the bill to be taken up for consideration, and then the Members can move to strike out the last word and make their statements.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman.

Mr. HOFFMAN of Michigan. In view of the fact that the minority leader said that the majority party had us "over a barrel" and was "sandbagging" us and notwithstanding the fact that there are less than 100 Members here, I ask unanimous consent to let them go ahead with the "sandbagging" and withdraw my objection.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The Clerk read the resolution, as follows:

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 217 of the National Housing Act is amended by striking out "\$15,000,000,000" and inserting in lieu thereof "\$16,000,000,000".*

Mr. WIDNALL. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I think it is important to give the House a bit of background.

Within the past month, the Housing Administrator and a coterie of assistants who filled half of the committee room appeared before our Housing Subcommittee and spent a whole day in testifying on the administration's omnibus housing bill. At no time was any indication given by anyone that the mortgage insurance authorization of FHA was in jeopardy. Now, as I have said, that testimony was given only within the past month. I conclude that only one of two things could have possibly have happened; first that the pickup in home mortgage financing has been much more vigorous than was anticipated, or second, that the precarious position of FHA mortgage insuring authority was deliberately being held in reserve to be used as a blackjack on the Congress for speedy enactment of the omnibus housing bill which among other things would provide for an extension of the FHA insuring authorization.

Mr. Speaker, it is just plain wrong to hold the FHA in such a captive status. FHA has a proud record of over a quarter of a century of sound and successful operations. Not alone has it been conducted at no cost to our taxpayers but it has accumulated almost \$1 billion of reserves to protect taxpayers in the future

against losses which could occur in any severe upset to our economy. FHA has assisted millions of our families in obtaining home ownership. It is one of the most outstanding examples of Government-private cooperation in the best tradition of the free enterprise system. It is wrong that this very fine program be placed on a stop and go basis. The FHA has earned the right to better treatment than that.

Mr. Speaker, Members on our side of the aisle have consistently supported the FHA and I shall not object to this resolution. I think it is important to the American people and to our economy that the FHA not be forced to a rationing of commitments beginning next week as it would have to do if this resolution is not passed. But Mr. Speaker, this procedure is not the way this problem should be handled. Here on this Thursday, we are called upon for action to make it unnecessary for FHA to curtail its activities and begin the rationing of insurance commitments next Monday. We will get far sounder housing legislation when we abandon this procedure of using extension of FHA insurance authority in an omnibus housing bill as a fulcrum to pry out of the Congress other housing proposals of questionable merit.

Let us have the New Frontier show the requisite courage to have each segment of the housing program stand on its own feet. Programs of questionable need and direction should not be forced upon the Congress in order to obtain approval of a continuing FHA program that each year makes such a major contribution to our times.

Mr. ADDONIZIO. Mr. Speaker, I rise in opposition to the pro forma amendment.

Mr. Speaker, this resolution has been urgently requested by the administration. It will provide the Federal Housing Administration with authority to issue additional mortgage insurance commitments up to a total of \$1 billion.

The Housing Agency reports that FHA has come dangerously close to its present limitation. If it should run out, it would create a serious problem for home builders and lenders. Right now, about one-fifth of all new homes built are started under the FHA program and the agency also assists in the financing of many existing homes. Unless this resolution is approved, the FHA will have to sharply curtail its activities within a few days. This means that builders' plans would be held up and economic recovery will suffer a setback.

The general housing bill contains a provision which will take care of FHA's needs for several years to come. However, this bill is still in committee and it is evident that we will not be able to act on it quickly enough to assure adequate authority for FHA. Therefore, the administration has asked for this interim resolution which will carry the Agency until about mid-July. This will give the Congress ample time in which to work on the general housing bill.

Mr. Speaker, let me make it clear that no money is involved in this resolution. It simply authorizes FHA to insure residential mortgages. It is not a budget





87<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 3279

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IN THE SENATE OF THE UNITED STATES

MAY 19, 1961

Read twice and referred to the Committee on Post Office and Civil Service

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## AN ACT

To increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That section 3 of the Travel Expense Act of 1949 (5  
4       U.S.C. 836) is amended by striking out "\$12" and inserting  
5       in lieu thereof "\$16".

6       SEC. 2. Section 5 of the Administrative Expenses Act  
7       of 1946 (5 U.S.C. 73b-2) is amended by striking out "\$15"  
8       and inserting in lieu thereof "\$16".

9       SEC. 3. Section 4 of the Travel Expense Act of 1949  
10      (5 U.S.C. 837) is amended by striking out "6 cents" and

1 inserting in lieu thereof "8 cents", and by striking out "10  
2 cents" and inserting in lieu thereof "12 cents".

3 SEC. 4. The second sentence of section 4 of the Travel  
4 Expense Act of 1949 (5 U.S.C. 837) is amended by insert-  
5 ing immediately after "the actual cost of" the following:  
6 "parking fees,".

7 SEC. 5. (a) Section 3 of the Travel Expense Act of  
8 1949, as amended (5 U.S.C. 836), is amended—

9 (1) by striking out the words "by the Director of  
10 the Bureau of the Budget" which appear before the first  
11 proviso and inserting in lieu thereof "by the President  
12 or his delegate (who may be the Director of the Bureau  
13 of the Budget or any other officer of the Government)"  
14 and

15 (2) by striking out the last proviso and inserting  
16 in lieu thereof the following proviso: "*And provided*  
17 *further,* That where due to the unusual circumstances of  
18 a travel assignment the maximum per diem allowance  
19 would be much less than the amount required to meet  
20 the actual and necessary expenses of the trip, the heads  
21 of departments and establishments may, in accordance  
22 with regulations promulgated by the Director, Bureau of  
23 the Budget, pursuant to section 7, prescribe conditions  
24 under which reimbursement for such expenses may be  
25 authorized on an actual expense basis not to exceed a

1 maximum amount to be specified in the travel authoriza-  
2 tion, but in any event not to exceed, for each day in  
3 travel status, (1) the amount of \$30, within the limits  
4 of the continental United States, or (2) the sum of the  
5 maximum per diem allowance plus \$10, for travel out-  
6 side such limits".

7 (b) Section 5 of the Administrative Expenses Act of  
8 1946, as amended (5 U.S.C. 73b-2), is amended—

9 (1) by striking out the words "by the Director of  
10 the Bureau of the Budget" which appear before the  
11 proviso; and

12 (2) by striking out the last proviso and inserting  
13 in lieu thereof the following proviso: "*Provided*, That  
14 where due to the unusual circumstances of a travel as-  
15 signment the maximum per diem allowance would be  
16 much less than the amount required to meet the actual  
17 and necessary expenses of the trip, the heads of depart-  
18 ments and establishments may, in accordance with regu-  
19 lations promulgated by the Director, Bureau of the  
20 Budget, pursuant to section 7 of the Travel Expense  
21 Act of 1949, as amended (5 U.S.C. 840), prescribe  
22 conditions under which reimbursement for such expenses  
23 may be authorized on an actual expense basis not to ex-  
24 ceed a maximum amount to be specified in the travel  
25 authorization, but in any event not to exceed, for each





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## AN ACT

To increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes.

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MAY 19, 1961

Read twice and referred to the Committee on Post Office and Civil Service





July 7, 1961

Sen. Proxmire inserted a newspaper editorial "praising the good sense in the administration's proposed wheat and feed grain bills." pp. 11191-2

11. SOCIAL SECURITY. Sen. Proxmire inserted an article discussing the results of a poll among farm people in Wisc. which indicated they favored social security medical care for the aged. pp. 11198-9

12. PERSONNEL. The Post Office and Civil Service Committee voted to report the following bills: p. D539

H. R. 3279, with amendment, to increase the maximum rates of per diem allowance for employees of the Government traveling on official business;

S. 1070, with amendment, to amend the Federal Employees' Group Life Insurance Act of 1954, so as to provide additional group life insurance for Federal employees;

H. R. 5432, to make permanent the 1958 cost-of-living increases in annuities payable from the civil service retirement and disability fund;

S. 1640, with amendment, to amend the disability provisions of the Civil Service Retirement Act regarding employees who recover from disability; and

S. 740, to provide for allotment and advancement of pay for civilian employees in cases of emergency evacuations in overseas areas.

The "Daily Digest" states that the Post Office and Civil Service Committee agreed to hold hearings, but no date was fixed, on S. 1683, to accord employees of ASC County Offices and employees with past service as employees of the County Committees credit for such past service for retirement purposes.

p. D539

Passed as reported S. 1458, to authorize the Federal Government to pay the costs of the transportation of the remains, families, and effects of Federal employees who die in service in Alaska and Hawaii. pp. 11181-2

13. BUDGETING. Received from the Budget Bureau a proposed bill to eliminate the requirements for certain detailed estimates in the annual budgets; to Government Operations Committee. p. 11146

14. RECLAMATION. Received from the Interior Department a letter that an adequate soil survey and land classification has been made of the lands in the Bully Creek extension of the Vale project, Ore., and that the lands to be irrigated are susceptible to the production of agricultural crops. p. 11146

15. CONSERVATION. Received a resolution from the California Legislature favoring H. R. 6793, to provide for establishment of the King Range National Conservation Area, and a resolution requesting funds for a study of the feasibility of either extending the Tehama-Colusa Canal through Yolo County to a terminus in the vicinity of Putah Creek, or constructing the proposed multipurpose Wilson Valley project. p. 11147

16. WATER RESOURCES. Received from the California Legislature a resolution urging the optimum development of the Central Valley Basin and San Francisco Bay region of California, including multipurpose development of certain watersheds therein, and a resolution urging the establishment of a Federal water pollution control research facility in California. pp. 11148-9

Permission was granted to refer H. J. Res. 225, to grant the consent of Congress to the Delaware River Basin compact, to the Interior Committee after the Judiciary Committee has completed consideration of the measure. p. 11155

17. FOREIGN TRADE. Sen. Carroll stated that "the Interior Department offered a new proposal for stockpiling lead and zinc and for financing the purchase of the metals for stockpiling by selling surplus farm products to foreign countries," and inserted two articles, "JFK Proposes Stockpile Plan for Lead, Zinc" and "U. S. Bid Rebuffed by Lead-Zinc Men -- Mining Industry Turns Down Stockpiling Proposal." pp. 11155-8  
Sen. Proxmire discussed the balance of payments and low foreign wages and inserted an article, "Inquiry Into German Prosperity." pp. 11208-11
18. FOREIGN AID. Sen. Miller inserted several items criticizing the foreign aid program. pp. 11213-4
19. LEGISLATIVE PROGRAM. Sen. Mansfield announced that S. 1154, the educational exchange bill, will be considered Mon. p. 11191
20. ADJOURNED until Mon., July 10. p. 11214

ITEMS IN APPENDIX

21. WATER RESOURCES. Extension of remarks of Sen. Anderson inserting two articles, "Federal Power Plans Stir Hope and Disputes in West," and "Water Holds Key to West's Future." pp. A5036-8
22. FARM PROGRAM. Extension of remarks of Rep. Gathings inserting an article discussing the administration's farm bill "Farsightedness Is Required." pp. A5044-5
23. MANPOWER. Extension of remarks of Sen. Keating inserting an article, "Technical Manpower for the Next Hundred Years." pp. A5054-5

BILLS INTRODUCED

24. EDUCATION. H. R. 8004, by Rep. Baldwin, and H. R. 8012, by Rep. Sisk, to extend for 1 year the temporary provisions of Public Laws 815 and 874, 81st Congress, which relate to Federal assistance in the construction and operation of schools in areas affected by Federal activities; to Education and Labor Committee.
25. SOIL BANK. H. R. 8006, by Rep. Karth, to amend section 107 (a) (3) of the Soil Bank Act, as amended; to Agriculture Committee.  
H. R. 8015, by Rep. Blatnik, to permit the taking of hay from conservation reserve acres for relief of farmers in drought-disaster areas; to Agriculture Committee.
26. LIVESTOCK LOANS. H. R. 8016, by Rep. Karth, to amend the act of April 6, 1949, as amended, to authorize the Secretary of Agriculture to make emergency livestock loans under such act until December 31, 1961; to Agriculture Committee.
27. INSECT CONTROL. S. 2209, by Sen. Young, N. Dak., to amend the Soil Bank Act to authorize the Secretary of Agriculture to assist in the controlling of grasshoppers on conservation reserve acreage under certain conditions; to Agriculture and Forestry Committee.
28. WHEAT QUOTAS. S. J. Res. 116, by Sen. Ellender, to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1962; to Agriculture and Forestry Committee.





# Digest of CONGRESSIONAL PROCEEDINGS

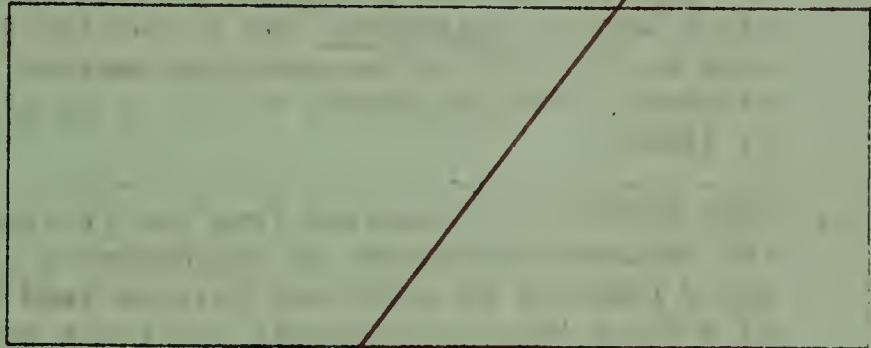
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF  
BUDGET AND FINANCE  
(For information only;  
should not be quoted  
or cited)

## CONTENTS

Adjournment.....	18
Agricultural appropriations.....	3
Appropriations.....	3, 4, 22
Atomic energy.....	22
Conflict of interest.....	28
Cultural exchanges.....	32
Durum wheat.....	2
Expenditures.....	23
Farm labor.....	10
Farm loans.....	29
Farm program.....	7, 21
Mod for peace.....	9
Foreign aid.....	34
Foreign trade.....	25
Hay.....	1
Horsemeat.....	16
Monopolies.....	26
Natural resources.....	27

Issued July 17, 1961  
For actions of July 14, 1961  
87th-1st, No. 118



Per diem.....	5	Travel.....	22
Peace Corps.....	15	Tariffs.....	13, 33
Personnel.....	5, 28, 30	Textiles.....	11
Procurement.....	26	Transportation.....	31
Reclamation.....	20	Youth corps.....	14
Retirement.....	5, 17	Water pollution.....	12
St. Lawrence Seaway.....	19	Water resources....	6, 24, 27
Soil bank.....	1	Watersheds.....	8

**HIGHLIGHTS:** Senate reconsidered and passed bill to permit removal of hay on conservation reserve acreage adjacent to disaster areas. Conferees agreed to file report on agricultural appropriation bill. Senate committee reported bill to increase per diem travel rates. Senate passed bill to continue exemption of durum wheat production in certain Calif. counties from allotments and quotas. Senate subcommittee voted to report HEW and independent offices appropriation bills. Senate received from President and Sen. Anderson introduced and discussed water resources planning bill.

## SENATE

1. SOIL BANK; HAY. Reconsidered and passed with amendments S. 2197, to authorize the Secretary of Agriculture to permit the removal of hay from, or grazing on, conservation reserve lands adjacent to or near disaster areas (pp. 11694, 11700-07, 11715). This bill was passed on July 12, but Sen. Williams, Del., later entered a motion to reconsider the vote by which the bill was passed. Agreed to amendments by Sen. Williams, Del., to provide that the President, rather than the Secretary of Agriculture, shall have authority to determine when areas shall be declared disaster areas, and to provide that the provisions of the bill shall expire on June 30, 1962.
2. DURUM WHEAT. Passed as reported S. 1107, to continue the exemption of production of Durum wheat in portions of Modoc and Siskiyou Counties, Calif., from acreage allotments and marketing quota restrictions. p. 11719
3. AGRICULTURAL APPROPRIATION BILL, 1962. The "Daily Digest" states, "Conferees, in executive session, agreed to file a conference report on the differences between the Senate- and House passed versions of H. R. 7444, fiscal 1962 appropriations for the Department of Agriculture, and related agencies." p. D572

APPROPRIATIONS.

4. A subcommittee of the Appropriations Committee voted to report with amendments to the full committee H. R. 7445, fiscal 1962 appropriations for independent offices. p. D570

A subcommittee of the Appropriations Committee voted to report with amendments to the full committee H. R. 7035, fiscal 1962 appropriations for the Departments of Labor and Health, Education, and Welfare. p. D570

5. PERSONNEL. The Post Office and Civil Service Committee reported with amendment H. R. 5432, ~~to make permanent certain increases in annuities payable from the civil service retirement and disability fund (S. Rept. 545)~~, and with amendment H. R. 3279, to increase the maximum rates of per diem allowance for employees of the Government traveling on official business (S. Rept. 544). p. 11640

6. WATER RESOURCES. Received from the President a proposed bill "to provide for the optimum development of the Nation's natural resources through the coordinated planning of water and related land resources, through the establishment of a Water Resources Council and river basin commissions, and by providing financial assistance to the States in order to increase State participation in such planning; to Interior and Insular Affairs Committee. p. 11636

Received from the Governors' Conference a resolution favoring Congressional consent to the Delaware River Basin Compact and the Northeastern Water and Related Land Resources Compact. p. 11640

7. FARM PROGRAM. The Agriculture and Forestry Committee has issued a summary of S. 1643, the omnibus farm bill, as it was ordered reported by the Committee on July 12 (see Digest 116). Attached to this Digest is a copy of the summary issued by the Committee.

Received from the Wisconsin Better Government Committee a resolution protesting against S. 1643 and H. R. 6400, the omnibus farm bills; to Agriculture and Forestry Committee. p. 11637

8. WATERSHEDS. Received from the Budget Bureau plans for works of improvement on Big Creek, Ark.; Ulati Creek, Calif.; South Branch Park River, Conn.; Indian Creek and Pony Creek, Iowa; Frog Creek, Kans.; Big Reedy Creek and Humphrey-Clanton Creek, Ky.; South Branch Cass River, Mich; Plum Creek, Nebr. Upper Red Rock Creek, Okla.; Brodhead Creek, Pa.; Anasco River, Puerto Rico; and Houser Creek, Tenn.; to Agriculture and Forestry Committee. p. 11636

Received from the Budget Bureau plans for works of improvement on Big Sandy Creek (supplement), Colo.; South River, Ga.; Middle Fork of Anderson River, Ind.; Middle-South Branch Forest River, N. Dak.; and Twin Parks, Wis., to Public Works Committee. p. 11637

9. FOOD FOR PEACE. Sen. Neuberger inserted an address by Sen. Humphrey at the First National Conference of the American Food for Peace Council in support of the food for peace program. pp. 11661-4

Sen. Keating inserted an article, "Peace Corps Program in India -- Literacy House," and said "I am very happy to report that ... under the terms of Public Law 480, \$151,000 in local currency will be made available to supplement this work." pp. 11687-8

10. MIGRANT LABOR. Sen. Neuberger inserted an article, "Voiceless People," and said, "It has long been the hope and aspiration of many conscientious Americans to extend economic and social justice to our migratory farmworkers." pp. 11664-5

# Calendar No. 517

87TH CONGRESS  
1st Session      }

SENATE      }

REPORT  
No. 544

## TRAVEL EXPENSES OF GOVERNMENT EMPLOYEES

JULY 14, 1961.—Ordered to be printed

Mr. YARBOROUGH, from the Committee on Post Office and Civil Service, submitted the following

### R E P O R T

[To accompany H.R. 3279]

The Committee on Post Office and Civil Service, to whom was referred the bill (H.R. 3279) to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill, as amended, do pass.

#### AMENDMENTS

The Committee amendments are as follows:

1. Page 2, line 8, insert all of new section 5.
2. Page 2, line 13, insert all of new section 6.
3. Page 2, line 18, insert all of new section 7.
4. Renumber old sections 5, 6, 7, and 8, as new sections 8, 9, 10, and 11 respectively.

#### PURPOSE OF AMENDMENTS

Amendment 1 extends to U.S. marshals the increased mileage and reimbursement of parking fees provisions of the bill applicable to other Government employees. It is not necessary to make other provisions of the bill applicable to marshals for the reason that they are reimbursed under existing legislation on an actual expense basis.

Amendment 2 extends the benefits of the bill to personnel of the judicial branch of the Government.

Amendment 3 extends the benefits of the bill to Members and employees of the Senate.

Amendment 4 is of a corrective nature made necessary by the adoption of the first three amendments.

## PURPOSE

The purpose of this measure, as amended, is to adjust the mileage and per diem allowance for employees traveling on official Government business.

The bill makes the following changes in existing law:

1. Increases the normal maximum per diem allowance from \$12 to \$16 for regular full-time employees of the Government and makes the same adjustment in the rate applicable to intermittent and w.o.e. employees.
2. Increases the maximum allowance for official travel authorized to be performed on an actual expense basis from \$25 to \$30 per day.
3. Increases the maximum allowance for use of privately owned automobiles or airplanes from 10 cents to 12 cents per mile.
4. Increases the maximum allowance for the use of privately owned motorcycles from 6 cents to 8 cents per mile.
5. Allows reimbursement on an actual expense basis up to \$10 in excess of the normal per diem allowance established in a given country for employees traveling outside the continental United States or Alaska when authorized due to unusual circumstances surrounding the travel.
6. Raises the authorized maximum per diem of certain State Department advisory committees to the same rate applicable to other Federal employees.
7. Adds parking fees when incurred while in official travel status as an item of expense for which reimbursement is permissible.
8. Transfers to the President authority now vested in the Bureau of the Budget to establish per diem rates outside the continental United States.
9. Preserves the status of Alaska and Hawaii that existed prior to their obtaining statehood as areas in which travel allowance would be fixed on the basis of cost.

## STATEMENT

A public hearing was held May 1, 1961, on S. 470, a bill identical in purpose to this measure. Thus while the testimony referred to below was directed toward S. 470, it is equally applicable to this measure.

Employee representatives submitted a great amount of data in support of their contention that travel costs have increased substantially since 1955 when the current rates were established. There was evidence to indicate that employees frequently are required to pay some of the costs of official travel out of personal funds and at other times they are required to sleep and eat at substandard levels in order to break even. This was supported in part by the Bureau of the Budget which submitted figures showing that in the fall of 1960 the cost of travel had reached an average of \$15.13 per day. The General Accounting Office stated flatly that in its view a maximum rate of \$16 per day seemed justified. This was stated as follows:

Thus, we believe there is sufficient justification for increasing the statutory per diem allowance to \$16 with the thought in mind that such a maximum allowance will be

adequate for the higher cost areas and that the agencies will fix a lower allowance for areas where experience shows that the costs of subsistence are somewhat lower.

The committee trusts that agency heads will exercise good judgment in the matter as suggested by the General Accounting Office.

Representatives of the Bureau of the Budget and the Civil Service Commission testified in favor of certain features and against others. In general it may be said that the administration favors all provisions of the bill, as reported, with two exceptions:

1. That \$15 instead of \$16 be the maximum per diem allowance.
2. That the maximum mileage allowance for neither automobiles nor motorcycles be increased.

The committee was not persuaded by the testimony of the administration that either of these two rates is higher than justified in many instances. It should be recognized that these are maximum rates to be allowed by the departments and agencies only when the circumstances clearly warrant. The committee believes, further, that most if not the entire cost of this measure can be absorbed if all official travel is handled in a judicious manner. First, the question should be asked, "Is this trip necessary?" If it is in fact essential—and the committee is not suggesting the curtailment of necessary travel—the trip should be scheduled with an eye to possible economies. These might result from better scheduling of work and appointments, the elimination of duplication of effort, the acceptance of coach accommodations on trains and planes when perfectly suitable to the occasion, and other measures taken as a matter of course by a prudent private traveler.

The committee takes the position that the actual and necessary expense of essential official travel should be borne by the Government and is thus willing to raise allowances for this purpose to a realistic level. However, it believes that the departments and agencies have an obligation in the matter to guard against abuse and waste of all kinds.

#### SECTIONAL ANALYSIS

Section 1 increases the maximum subsistence allowance in lieu of actual expenses for most Federal employees traveling on official business within the United States (exclusive of Alaska and Hawaii) to \$16 per day in place of the present rate of \$12.

Section 2 increases the maximum subsistence allowance for intermittent employees or persons serving without compensation to the same \$16-per-day rate.

Section 3 increases the maximum allowance for privately owned automobiles or airplanes and motorcycles from 10 cents and 6 cents to 12 cents and 8 cents per mile, respectively.

Section 4 adds parking fees to the items for which reimbursement may be obtained.

Section 5 makes the increase in the mileage allowance for automobiles or airplanes and the provision relating to parking fees applicable to U.S. marshals.

Section 6 makes the provisions of the bill applicable to the judicial branch of the Government.

Section 7 makes the provisions of the bill applicable to Members and employees of the Senate. (Similar language is not required with

respect to Members and employees of the House for the reason that they have permanent legislation authorizing travel on an actual expense basis.)

Section 8 does the following:

(a) Transfers to the President authority now vested in the Bureau of the Budget to set the per diem rates for employees traveling outside the United States (exclusive of Alaska and Hawaii).

(b) Increases to \$30 per day the maximum which may be reimbursed on an actual expense basis for travel within the United States (exclusive of Alaska and Hawaii) under unusual conditions where it is found that the regular \$16-per-day rate is much less than actual expenses.

(c) Authorizes up to \$10 per day in excess of the established rate for a given country (including Alaska and Hawaii) where it is found that such nominal rate is inadequate due to unusual circumstances.

(d) Makes the same changes with respect to experts and consultants as (a), (b), and (c) above make with regard to regular employees.

(e) Preserves the status of Alaska as an area in which rates may be fixed on the basis of a cost survey as is done in foreign countries. The same status will apply to Hawaii but it is accomplished by the exclusive language of the bill which refers in a number of places to the *continental* United States and thus not being a part of the continental United States the exclusion is accomplished. As a result rates in both Alaska and Hawaii will be fixed in the future just as they were before they became States.

#### OFFICIAL REQUESTS

Following are letters of request with respect to committee amendments 1 and 2 hereinbefore discussed:

DEPARTMENT OF JUSTICE,  
OFFICE OF THE DEPUTY ATTORNEY GENERAL,  
*Washington, D.C., May 25, 1961.*

Hon. OLIN D. JOHNSTON,  
*Chairman, Committee on Post Office and Civil Service,*  
*U.S. Senate, Washington, D.C.*

DEAR SENATOR: The Department of Justice recommends an amendment to the bill (H.R. 3279) to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes, which has been passed by the House of Representatives and is pending before your committee.

Section 3 of the bill would amend section 4 of the Travel Expense Act of 1949 (5 U.S.C. 837) by increasing the allowance to Government employees for use of privately owned motorcycles when traveling on official business from 6 cents per mile to 8 cents per mile, and the allowance for use of privately owned automobiles or airplanes from 10 cents per mile to 12 cents per mile. Section 4 of the bill would also amend section 4 of the Travel Expense Act of 1949 by authorizing reimbursement for the actual cost of parking fees in traveling on official business.

The travel of U.S. marshals is not governed by the Travel Expense Act of 1949, but rather by section 553 of title 28, United States Code. The failure to include an amendment to section 553 of title 28 to provide a corresponding increase in mileage allowance and reimbursement of parking fees for marshals is obviously an inadvertence. U.S. marshals and their deputies frequently are required to travel on rough, unpaved, country roads. They transport prisoners who are often abusive of the vehicles in which they are carried. These and other factors incident to the use by marshals of their personal vehicles on official business require that they receive at least the same allowance as other Government personnel.

Accordingly, it is recommended that H.R. 3279 be amended by inserting therein an additional section as follows:

"Paragraph (3) of section 553 of title 28, United States Code, is amended by striking out '10 cents' and inserting in lieu thereof '12 cents' and by inserting immediately after the words 'the actual cost of' the words 'parking fees'."

The Bureau of the Budget is opposed to an increase in the maximum mileage allowance of 10 cents applicable generally to Government employees using privately owned automobiles on official business. Nevertheless if an increase in this rate is approved by the Congress, the Bureau of the Budget would not object to authorization of such rate for U.S. marshals and their deputies.

Sincerely yours,

BYRON R. WHITE,  
Deputy Attorney General.

ADMINISTRATIVE OFFICE OF THE U.S. COURTS,  
Washington, D.C., July 5, 1961.

Hon. OLIN D. JOHNSTON,  
Chairman, Committee on Post Office and Civil Service,  
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in further reference to discussions which we have had with Mr. Don Kerlin, assistant staff director of the Committee on Post Office and Civil Service, concerning the inclusion of the personnel of the judicial branch of the Government within the provisions of H.R. 3279, a bill to increase the maximum rates of per diem allowances for employees of the Government traveling on official business, and for other purposes.

During the last session of Congress, when the proposed bill to increase the maximum rates of per diem allowances for employees of the Government was being considered by the Committee on Government Operations, the Administrative Office arranged to have included in the bill at that time the following amendment:

"SEC. 4. The Director of the Administrative Office of the United States Courts shall promulgate, in accordance with section 604(a)(7) and section 456 of title 28 of the United States Code, such regulations as he may deem necessary to effectuate the increases provided by this Act."

The Judicial Conference of the United States has approved the bill, and it is exceedingly anxious that the personnel of the judicial branch be included as provided by the above amendment, which is entirely consistent with existing law. In fact, although we believe that there

may be no doubt but that the judiciary would be included in any event by the language of the bill, we, at the same time, believe that this amendment would serve to clarify any possible uncertainty.

Sincerely,

WARREN OLNEY III, *Director.*

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AGENCY VIEWS

Following are agency letters commending on S. 470, but equally applicable to this measure (H.R. 3279) which is being reported in lieu thereof. The recommendations of the administration except those relating to the mileage allowance and per diem rate (previously discussed herein) are incorporated in the bill as reported.

EXECUTIVE OFFICE OF THE PRESIDENT,

BUREAU OF THE BUDGET,

*Washington, D.C., April 10, 1961.*

Hon. OLIN D. JOHNSTON,

*Chairman, Committee on Post Office and Civil Service,*

*U.S. Senate, Washington, D.C.*

MY DEAR MR. CHAIRMAN: This is in response to your request for a report on S. 470, a bill to increase the maximum rates of per diem allowance for employees of the Government traveling on official business and for other purposes.

The bill would (1) increase to \$16 the maximum rate of per diem allowed for civilian employees traveling on official business, (2) increase to \$30 per day the maximum allowance for official travelers authorized to be reimbursed on an actual subsistence expense basis, (3) increase to \$16 the maximum per diem allowance for persons serving without compensation, (4) increase to 8 cents per mile the allowance for use of privately owned motorcycles on official Government business, (5) increase to 12 cents per mile the rate for use of privately owned automobiles on official business, and (6) define the words "continental United States" to mean the several States and the District of Columbia.

The present maximum per diem of \$12 has been inadequate for several years. In 1954, when the maximum rate was \$9, the Bureau of the Budget made an analysis of travel subsistence expenses and found that costs under ordinary conditions were about \$13 per day. We recommended to the Congress that the rate be increased to \$13. In 1955, legislation was enacted authorizing the present maximum rate of \$12 per day.

In the fall of 1958, we conducted another study of travel subsistence costs which included detailed reports from 18 principal Federal agencies, supported by a nationwide sampling of costs by the Bureau of the Census and reports from accounting firms specializing in business analyses for hotel organizations. The study indicated that average costs had increased to about \$14.30 per day. We recommended in responding to requests from the Senate and House Committees on Government Operations, that the maximum be increased to \$14 with the understanding that travelers incurring unusually high costs might be reimbursed for actual expenses up to \$25 per day as currently authorized. Subsequently, the House Committee on Government

Operations reported favorably on H.R. 5196, a bill which, as amended by the committee, provided for a maximum rate of \$15. That bill passed the House in September 1959 and was considered by the Senate Committee on Government Operations during the spring of 1960. At that time, we conducted a followup study of subsistence expenses which indicated that costs had increased to about \$14.71 per day. We then supported the \$15 rate provided in the bill although we had previously recommended \$14. As passed by the Senate in June 1960, shortly before Congress recessed, the bill included the \$15 rate but also included amendments requiring further consideration in the House.

During the fall of 1960, we conducted another survey of travel subsistence expenses which indicated costs of about \$15.13 per day. We believe the latest study supports a rate of \$15 per day. We recommend that section 1 of S. 470 be amended to provide for a \$15 rate instead of \$16.

We believe no increase is needed in the presently authorized ceiling of \$25 per day for reimbursement of subsistence expenses on an actual expense basis as provided under section 3 of the Travel Expense Act and section 5 of the Administrative Expenses Act. Our studies have indicated that \$25 per day is an adequate ceiling to cover subsistence expenses for which the Government should reimburse travelers in the unusual circumstances for which payment on an actual expense basis is authorized. Therefore, we recommend that sections 1 and 2 of S. 470 be amended by deleting the following words at the end of each section: "and by striking '\$25' and inserting in lieu thereof '\$30.' "

In 1955, when per diem rates were last adjusted, the Bureau of the Budget supported the proposition that persons serving the Government without compensation or at \$1 per year should be accorded a higher maximum per diem allowance than regular officers and employees. Such a differential exists at present since the statute authorizes a \$12 rate for regular officers and employees whereas persons serving without compensation or at \$1 per year may receive up to \$15 per day. The need for continuing that policy appears questionable, however, since for normal travel situations the subsistence expenses of persons serving without compensation should be about the same as incurred by regular employees. In unusual cases, however, such persons can be reimbursed on an actual expense basis up to \$25 per day, under existing authority contained in section 5 of the Administrative Expenses Act. Therefore, we recommend that section 2 of S. 470 be deleted.

We are unable to provide cost information to support any increase in mileage rate allowances for privately owned motor vehicles. On the contrary, the facts available to us indicate that the present rate of 10 cents per mile for automobiles is not only adequate but is higher than similar types of allowances paid by most private businesses. The trend for such allowances has been upward in recent years, but the last report by a private consulting firm which makes annual surveys of compensation for motor vehicle operation in private industries indicates that more than three-fourths of the private industries paying on a mileage basis are allowing 8 cents per mile or less for automobiles, that 90 percent are allowing 9 cents or less and that only one-half of 1 percent are allowing more than 10 cents.

We are aware of guidelines published by the American Automobile Association based on analyses by a private accounting firm which indicate that an automobile traveling 10,000 miles during the first year of ownership by a private individual may cost almost 12 cents per mile to operate if insurance, licenses, registration fees, and first year depreciation are considered as well as operating expenses. However, we believe that the Government should not be subjected to automobile usage costs based on an assumption that every private automobile used for official purposes is less than 1 year old. In fact, many persons who use their automobiles for official purposes keep their vehicles longer than 1 year and their fixed costs are distributed to more than 10,000 miles per year of usage. It is true that the cost of gasoline, tires, oil, insurance, etc., is higher than in 1955 when the current 10-cent mileage rate was established. However, we believe the rate is adequate for the present since in 1955 it was somewhat liberal. The published standard for replacement of a Government-owned automobile is 6 years or 60,000 miles, whichever is attained first. On that replacement basis, total variable and fixed costs, including depreciation, would be about 8.3 cents per mile for privately owned automobiles driven 10,000 miles per year. In view of these findings we recommend that section 3 of S. 470 be deleted.

We recommend deletion of section 4 of S. 470 defining the words "continental United States" to mean the several States and the District of Columbia. The effect of that language would be to extend to Alaska and Hawaii the statutory per diem rates now applicable in the former 48 States and the District of Columbia. At present the per diem rates for Alaska and Hawaii are established by the Director of the Bureau of the Budget under authority contained in the Travel Expense Act. Travel subsistence costs are higher in Alaska and Hawaii than in the other States and rates up to \$21 for some cities in Alaska and \$16 for Hawaii are in effect. Section 4 of S. 470 would cause an immediate reduction in these per diem rates which we believe would be inadvisable.

We recommend that language be added to authorize payment to employees for parking fees incurred while using privately owned vehicles for official purposes. The Travel Expense Act now authorizes reimbursement for bridge, road, and tunnel toll charges and ferry fares but when an employee using a private vehicle on official business must park it either at a parking meter or in a commercial lot, he may not be reimbursed for the costs incurred. Frequently, it is necessary for employees to park their automobiles several times per day to visit applicants, business concerns, beneficiaries, etc., and we believe these employees should be reimbursed for the expenses thus incurred. Authority to pay such fees could be provided by adding the following section to the bill which was included in H.R. 5196, 86th Congress in the form passed by the Senate:

"SEC. ——. The second sentence of section 4 of the Travel Expense Act of 1949 (5 U.S.C. 837) is amended by inserting immediately after 'the actual cost of' the following: 'parking fees.' "

We wish to recommend additional language which will vest in the President delegable authority for establishing maximum per diem allowances to civilian travelers in foreign countries, Alaska, Hawaii, and territories and possessions of the United States. The Bureau of the Budget now has statutory responsibility for establishing these

rates although we must rely upon the State Department for firsthand cost information upon which foreign rates are established.

We believe it would be appropriate for the President to delegate the responsibility for establishing the per diem rates in foreign countries to the Department of State. Transfer of this responsibility would relieve the Bureau of the Budget of an administrative responsibility and would permit consolidation of the responsibility for establishing per diem rates with the closely related function already being performed by the State Department of establishing cost-of-living allowances for civilian employees in foreign countries.

We also recommend additional language to authorize payment in unusual circumstances of subsistence expenses on an actual expense basis to travelers in foreign countries, Alaska, Hawaii, and the territories and possessions of the United States. Statutory authority for such payments now exists with respect to travel in the former 48 States and the District of Columbia. Since "unusual circumstances" may arise outside as well as within the former 48 States, we believe the authority should be extended to include travel outside the former 48 States. It is not feasible, however, to apply throughout the world the flat maximum of \$25 per day which is provided in the existing statutes because rates of exchange and subsistence costs vary too greatly from country to country. Therefore, we recommend that a maximum be authorized in an amount not exceeding the established maximum per diem applicable for each country plus \$10 per day.

We also wish to recommend that the bill be amended to make clear that the statutory maximum per diem rates provided in the Travel Expense Act and the Administrative Expenses Act are not applicable in Alaska. Otherwise, section 48 of the Alaska Omnibus Act might be construed to require that the proposed \$15 maximum per diem rate be applied to Alaska although special rates are clearly justified by the higher costs which prevail in Alaska. A similar problem does not exist with respect to Hawaii.

We have collaborated with the State Department in drafting language to accomplish the additional amendments described above and are enclosing for your consideration a copy of the proposed language, which is identical to language proposed by the State Department and the Bureau of the Budget and included in H.R. 5196, 86th Congress, when that bill passed the Senate in June 1960.

The State Department also has developed language which would extend the per diem allowance provisions of the Administrative Expenses Act to persons serving on three groups authorized by statute to advise the State Department but not authorized to receive per diem allowances on the same basis as other persons serving without compensation. These provisions also were incorporated at the request of the State Department and with the concurrence of the Bureau of the Budget in H.R. 5196, 86th Congress, as it passed the Senate and are being resubmitted in a report which the State Department is sending to the chairman of the House Committee on Government Operations on H.R. 3279, a current bill similar to S. 470. We are also enclosing a copy of these provisions. You may wish to request more detailed information and comments from the Department of State.

Sincerely yours,

PHILLIP S. HUGHES,  
Assistant Director for Legislative Reference.

*Proposals by the Department of State and the Bureau of the Budget to amend S. 470 to (a) vest delegable authority in the President for establishing maximum per diem allowances to civilian travelers in foreign countries, Alaska, Hawaii, and the territories and possessions of the United States, (b) provide for payment of subsistence expenses on an actual expense basis to travelers in foreign countries, Alaska, Hawaii and the territories and possessions of the United States, and (c) make clear that the statutory maximum per diem rates provided in the Travel Expense Act and the Administrative Expenses Act are not applicable in Alaska*

SEC. —. (a) Section 3 of the Travel Expense Act of 1949, as amended (5 U.S.C. 836), is hereby further amended (1) by striking out the words "by the Director of the Bureau of the Budget" appearing before the first proviso, and by substituting therefor the following: "by the President or his delegate (who may be the Director of the Bureau of the Budget or any other officer of the Government)", and (2) by striking out the proviso at the end of such section and inserting in lieu thereof the following proviso: "And provided further, That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7, prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of \$25, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits."

(b) Section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2), is hereby further amended (1) by striking out the words "by the Director of the Bureau of the Budget" appearing before the proviso, and (2) by striking out the proviso at the end of such section and inserting in lieu thereof the following proviso: "Provided, That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7 of the Travel Expense Act of 1949, as amended (5 U.S.C. 840), prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of \$25, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits."

(c) Section 48 of the Alaska Omnibus Act (73 Stat. 141; 48 U.S.C. note prec. sec. 23) shall not apply to the amendments made by this section.

AMENDMENTS PROPOSED BY THE DEPARTMENT OF STATE TO EXTEND THE PER DIEM ALLOWANCE PROVISIONS OF THE ADMINISTRATIVE EXPENSES ACT TO PERSONS SERVING ON THREE GROUPS AUTHORIZED BY STATUTE TO ADVISE THE STATE DEPARTMENT

SEC. ——. Section 3 of the Act of July 30, 1946 (22 U.S.C. 287o) is amended so that the last proviso will read as follows: "Provided, however, that he may be paid transportation and other expenses as authorized by section 5 of the Administrative Expenses Act of 1946 as amended (5 U.S.C. 73b-2)."

SEC. ——. Section 5 of the Act of July 30, 1946 (22 U.S.C. 287q) is amended so that the sentence relating to transportation and subsistence expenses will read as follows: "The Department of State may pay their transportation and other expenses as authorized by section 5 of the Administrative Expenses Act of 1946 as amended (5 U.S.C. 73b-2), for the period of actual attendance and of necessary travel."

SEC. ——. Section 801 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1471) is amended in subsection (6) so that the portion following the semicolon in the last sentence will read as follows: "but he may be paid his transportation and other expenses, as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2)."

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DEPARTMENT OF STATE,  
Washington, April 19, 1961.

Hon. OLIN D. JOHNSTON,  
Chairman, Committee on Post Office and Civil Service,  
U.S. Senate.

DEAR SENATOR JOHNSTON: Because of the Department's interest in S. 470, a bill to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes, the Bureau of the Budget has suggested that we communicate our views to you.

In its letter to you of April 10 the Bureau of the Budget commented in some detail on the major features of S. 470. The Department of State is in agreement with these views. The purpose of this letter is to provide additional support for three amendments which the Bureau of the Budget recommended for adoption.

The first of these amendments relates to transferring to the President authority for establishing travel per diem rates outside the continental United States. Discussions between representatives of the Department of State and the Bureau of the Budget have led to agreement that this authority should be vested in the President, rather than in the Bureau of the Budget, so that responsibility for establishing per diem rates for civilian employees traveling beyond the limits of the continental United States can be redelegated as appropriate. It has been agreed that delegation of this Presidential authority to the Secretary of State to establish rates of per diem in foreign areas would be in the best interests of the Government.

The Department, for many years, has recommended maximum foreign travel per diem rates to the Bureau for approval and issuance in Circular A-7. The recommendations are based on analyses of cost data contained in the Retail Price Schedule (Form DSP-23). This

schedule is prepared by the employees of the State Department at each foreign post or by representatives of other agencies when no employee of the Department is resident at that place. These cost-of-living data are used as the basis for foreign cost-of-living allowances granted to U.S. citizen employees of the Government abroad. Data for both travel per diem and cost-of-living allowances are analyzed concurrently; however, the cost-of-living allowance rates are approved and promulgated by the Department in the Standardized Regulations (Government civilians, foreign areas) whereas the foreign travel per diem rates, because of the wording of the law, are transmitted to the Bureau of the Budget and consequently delayed in approval and promulgation. Two systems and two regulations issuances are involved.

The Standardized Regulations (Government civilians, foreign areas) is a publication which could easily be extended to include maximum foreign travel per diem rates. It is amended at least 13 times a year to provide allowance and post differential rates which reflect changes in living costs and conditions at approximately 800 posts in foreign countries where U.S. citizen civilian employees of the Government are stationed. Advancee notices of changed rates, as well as the published amendments, are disseminated on a scheduled basis among the 25 affected departments and agencies and field posts.

Use of the Standardized Regulations (Government civilians, foreign areas) for promulgation of maximum foreign travel per diem rates would—

(a) Enable rates to be prescribed on a post, as well as a country basis, instead of primarily on a country basis, as at present. This subdivision would coincide with the method used for classifying posts for allowances and post differential and provide per diem rates which more accurately reflect room and meal cost differences at posts within a country. Care would be exercised, however, to avoid small variations in rates within a country.

(b) Increase the speed of making warranted foreign travel per diem rate changes (both upward and downward adjustments) from the current quarterly change basis to a monthly basis. The Department's facilities would also enable interim changes to be made to meet emergency situations.

(c) Reduce costs: Manpower and reproduction costs now borne by the Bureau would be eliminated. Aside from an initial outlay of \$500 by the Department for new plates for expansion of the classification tables in section 920 of the Standardized Regulations, no further cost is anticipated.

The second amendment on which we would like to make special comment relates to extension of the authority to provide actual-expense reimbursement during travel status. Public Law 189, 84th Congress, authorized in unusual circumstances actual-expense reimbursement for subsistence costs up to \$25 for employees traveling within the limits of the continental United States.

It is proposed to drop the limitation confining such actual-expense reimbursement to travel within the continental limits of the United States in order to permit such reimbursement when the travel is performed abroad. A corollary change is to provide a ceiling for the exercise of this authority of \$10 per day more than the otherwise

authorized maximum per diem allowance for travel outside the continental limits of the United States.

Most of the official travel abroad can appropriately be reimbursed within the regular maximum per diem allowance. There are occasions, however, when this is not possible owing to such circumstances as a delegation traveling together which must obtain accommodations at the hotel where a meeting is to be held regardless of the higher than average cost. As another illustration, when a high ranking official of our Government visits a foreign post, it is expected that he and his key assistants will be put up at the best hotel and that they will take their meals in the main dining room rather than shopping abroad for the average priced restaurants on which the regular per diem allowance is based. Occasionally a severe revaluation of currency takes place which would make the prescribed rate of per diem completely unrealistic until reviewed and formally reestablished. It is this type of unusual circumstance that requires the greater flexibility of actual-expense reimbursement.

The \$25 ceiling on actual-expense reimbursement appears to be appropriate for domestic travel. It would not be suitable, however, as a ceiling for travel abroad. The maximum travel per diem at present for Caracas is \$23 but this rate does not begin to cover the expenses incurred in a good room at the Tamanaco Hotel. Conversely a \$25 ceiling would be unnecessarily high for Warsaw where the regular maximum rate is only \$6, and the best commercial hotel charges only slightly more than \$7 for room with meals. It is proposed to provide a ceiling of \$10 more than the otherwise authorized maximum per diem allowance for the location involved.

The third amendment involves changes in portions of three statutes, all of which relate to the same problem. There are several advisory groups whose members serve the Department without compensation. The per diem for three of these groups is set by statute at \$10. When this rate was set, it was in excess of the regularly established per diem. The separate legislation for these groups (22 U.S.C. 287, 22 U.S.C. 287q, 22 U.S.C. 1471) was overlooked when the last rate-changing amendment to the basic act (69 Stat. 394) was approved (July 28, 1955). The result has been that these members now receive considerably less than Congress originally intended, since originally Congress had prescribed an amount in excess of the regularly established travel per diem. If these amendments are adopted the persons involved will be compensated in the same amounts as are other consultants of the Government.

We understand that the wording of the foregoing amendments has already been supplied to you as an attachment to the letter of April 10.

The Bureau of the Budget advises that from the standpoint of the administration's program there is no objection to the submission of this report.

Sincerely yours,

BROOKS HAYS,  
*Assistant Secretary*  
(For the Secretary of State).

COMPTROLLER GENERAL OF THE UNITED STATES,  
Washington, March 17, 1961.

B-5019

Hon. OLIN D. JOHNSTON,  
*Chairman, Committee on Post Office and Civil Service,*  
*U.S. Senate.*

DEAR MR. CHAPMAN: Your letter of January 30, 1961, requests an expression of our views on S. 470.

The bill would amend the Travel Expense Act of 1949, as amended, to provide (1) an increase in the rate of per diem in lieu of subsistence from \$12 to \$16 per day, which may be authorized for Government employees traveling on official business; (2) an increase in the maximum limitation from \$25 to \$30 per day, covering the payment of actual necessary expenses of a trip when due to the unusual circumstances of a trip the per diem allowance is not sufficient, and (3) an increase in the maximum mileage allowance rate for use of privately owned vehicles (motorcycles from 6 to 8 cents per mile and automobiles from 10 to 12 cents per mile).

Also the bill would amend section 5 of the Administrative Expenses Act of 1946, to increase the per diem in lieu of subsistence rate specified therein from \$15 to \$16 for the travel of persons in the Government service employed intermittently as consultants or experts and receiving compensation on a per diem when-actually-employed basis. In addition section 4 of the bill would amend section 18 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b-4), and section 2 of the Travel Expense Act of 1949, to define the term "continental United States" as meaning the several States and the District of Columbia.

We have obtained subsistence cost information from employees of our Office who travel on official business. This information for the most part was obtained from our regional offices throughout the United States. The average cost of subsistence for our travelers in the areas in the field where our regional offices are located was \$12.47 a day while the average of the cost to our employees traveling out of Washington was \$14 a day. The higher cost for subsistence out of Washington results from the fact that these trips are generally of short duration and are made to higher cost areas.

While the above information indicates that our travelers are keeping their costs reasonably close to the existing \$12 expense allowance, many of our travelers feel that the existing allowance is inadequate because they have to stay in what they consider second and third-class hotels and at times partake of meals in drugstores in order to keep within the allowance. The inadequacy of the existing per diem allowance of \$12 in lieu of subsistence is corroborated from additional information we have obtained as to hotel rates in some of the most usually visited cities within the areas of our regional offices.

Our information as to hotel rates indicates that if our travelers stayed consistently in first-class commercial hotels (not luxury type hotels) in the larger cities or in resort areas during the tourist season, their average expense would be at least \$16 per day based on what appears to be a \$2 to \$3 price difference between the hotels where they have been staying and the better class hotels.

We believe that per diem rates authorized for official travel should be fixed in each case in keeping with the circumstances and conditions, but within the statutory ceiling. For example, in some of the cities

we found that a per diem rate somewhat lower than \$16 would be adequate for first-class hotel accommodations, meals, and other expenses, whereas in other cities such costs would justify the fixing of the maximum allowance of \$16 as proposed by the bill. Thus, we believe there is sufficient justification for increasing the statutory per diem allowance to \$16 with the thought in mind that such a maximum allowance will be adequate for the higher cost areas and that agencies will fix a lower allowance for areas where experience shows that costs of subsistence are somewhat lower.

We have no information at this time concerning the propriety of an increase in milage allowance for privately owned vehicles or an increase in the amount which may be authorized or approved for actual necessary expenses of a trip when due to unusual circumstances the maximum per diem allowance is not sufficient to cover such expenses.

We note that the amendments proposed by section 4 of S. 470 would restrict per diem rates in Hawaii and Alaska to those prevailing in the other States whereas under existing law the per diem rates for those two States are fixed by the Bureau of the Budget in the same manner as rates in foreign areas based on information as to actual costs of subsistence.

We further note that a similar bill H.R. 5196 of the 86th Congress was the subject of Senate Report No. 1721 of the Committee on Government Operations dated June 24, 1960. In reporting on the bill several amendments thereto were recommended, including amendments to increase the per diem in lieu of subsistence specified in various other statutes to the same extent as the increase provided in H.R. 5196 (as reported out) and also to authorize payment of actual parking fees. We assume consideration will be given to similar amendments of S. 470. See also House Report 683 of the 86th Congress dated July 16, 1959, on H.R. 5196.

Sincerely yours,

JOSEPH CAMPBELL,  
*Comptroller General of the United States.*

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CIVIL SERVICE COMMISSION,  
*Washington, D.C., April 10, 1961.*

Hon. OLIN D. JOHNSTON,  
*Chairman, Committee on Post Office and Civil Service,*  
*U.S. Senate*

DEAR SENATOR JOHNSTON: This is in further reply to your request for the views of the Civil Service Commission on S. 470, a bill to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes.

The Comission endorses the general purpose to which this bill is addressed of bringing travel allowances for Federal civilian employees into line with the needs of the times. However, the Commission does not endorse the specific per diem and allowance rates proposed in S. 470. We strongly support the recommendations of the Bureau of the Budget on travel allowances as being more appropriate for meeting the needs of the service. The recommendations of the Bureau of the Budget are for maximum per dicm (usual circumstances) \$15

instead of \$16 as proposed; maximum allowance payment on an actual expense basis under unusual circumstances \$25 instead of \$30 as proposed; motorcycle mileage allowance 6 cents per mile instead of 8 cents as proposed; automobile and airplane mileage allowance 10 cents per mile instead of 12 cents as proposed; plus a new proposal for the payment of actual parking fees which is not provided for in S. 470.

The Commission is opposed to the enactment of section 4 of S. 470 and recommends that this section be deleted from the bill. Section 4 amends the Administrative Expenses Act and the Travel Expense Act by redefining "continental United States" to mean the several States and the District of Columbia. The amendments would have an adverse effect on Federal employee per diem and travel allowances in Alaska and Hawaii. The Comptroller General has ruled in decision No. B-137903, dated December 18, 1958, that after the admission of Alaska into the Union as a State, the Travel Expense Act and the Administrative Expenses Act should continue to be applied as before until such time as the Congress may expressly modify these laws.

The Travel Expense Act (5 U.S.C. 836) authorizes the Director of the Bureau of the Budget to establish per diem rates for travel beyond the limits of the continental United States. Enactment of section 4 of S. 470 would discontinue this authority for Alaska and Hawaii and require that per diem payments to Federal travelers in these two States be based on the regular per diem rates applied to travelers in other States. At present, the maximum per diem rates authorized for Alaska range from \$15 to \$21, depending on locality, and the maximum rate for Hawaii is \$16.

The Commission believes that Federal employees in Alaska and Hawaii should not, merely for the sake of uniformity, be subject to the same personnel laws and policies which apply to employees in other States. We believe that there are marked differences between the conditions prevailing in Alaska and those generally prevailing in the other States which not only justify but necessitate the adoption of special personnel policies for employees in Alaska. The following factors in the employment situation in Alaska appear to us to warrant special consideration:

- (1) The high cost of living in Alaska;
- (2) The extremely unfavorable environmental conditions existing at many posts; and
- (3) The inability of Federal agencies to adequately meet their personnel needs through local recruitment.

Although the employment situation in Hawaii may not be as critical as it is in Alaska, the high cost of living, as indicated by the special maximum per diem rate now in effect, and the great distances between Hawaii and the other States certainly justify a need for continued flexibility in establishing these special allowances.

The Bureau of the Budget advises that from the standpoint of the administration's program there is no objection to the submission of this report.

By direction of the Commission:

Sincerely yours,

JOHN W. MACY, Jr., *Chairman.*

## CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SECTIONS 3 AND 4 OF THE TRAVEL EXPENSE ACT OF 1949 (5 U.S.C.  
836 AND 837)

SEC. 3. Civilian officers and employees of the departments and establishments (except justices and judges covered by section 456 of title 28 of the United States Code), while traveling on official business and away from their designated posts of duty, shall be allowed, in lieu of their actual expenses for subsistence and all fees or tips to porters and stewards, a per diem allowance to be prescribed by the department or establishment concerned, not to exceed the rate of [\$12] \$16 within the limits of the continental United States and in case of travel beyond the limits of the continental United States not to exceed rates established [by the Director of the Bureau of the Budget] *by the President or his delegate (who may be the Director of the Bureau of the Budget or any other officer of the Government)* for the locality in which the travel is performed: *Provided*, That such civilian officers and employees who become incapacitated due to illness or injury, not due to their own misconduct, while traveling on official business and away from their designated posts of duty, shall be allowed such per diem allowances, and transportation expenses to their designated posts of duty, in accordance with regulations promulgated and approved under this Act: *And provided further*, That where due to the unusual circumstances of a travel assignment [within the limits of the continental United States such] *the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7, prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed [\$25], for each day in travel status, (1) the amount of \$30, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits.*

SEC. 4. Civilian officers or employees of departments and establishments or others rendering service to the Government shall, under regulations prescribed by the Director of the Bureau of the Budget, and whenever such mode of transportation is authorized or approved as more advantageous to the Government (except that no determination of advantage is required where payment on a mileage basis is limited to the cost of travel by common carrier, including per diem), be paid in lieu of actual expenses of transportation not to exceed [6] 8 cents per mile for the use of privately owned motorcycles, or [10] 12 cents per mile for the use of privately owned automobiles or airplanes, when engaged on official business within or outside their designated posts of duty or places of service. In addition to the

mileage allowances provided for in this section, there may be allowed reimbursement for the actual cost of *parking fees*, ferry fares, and bridge, road, and tunnel tolls.

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SECTION 5 OF THE ADMINISTRATIVE EXPENSES ACT OF 1946  
(5 U.S.C. 73b-2)

SEC. 5. Persons in the Government service employed intermittently as consultants or experts and receiving compensation on a per diem when actually employed basis may be allowed travel expenses while away from their homes or regular places of business, including per diem in lieu of subsistence while at place of such employment, in accordance with the Standardized Government Travel Regulations, Subsistence Expense Act of 1926, as amended (5 U.S.C. 821-833), and the Act of February 14, 1931, as amended by this Act, and persons serving without compensation or at \$1 per annum may be allowed, while away from their homes or regular places of business, transportation in accordance with said regulations and said Act of February 14, 1931, as so amended, and not to exceed [§15] \$16 per diem within the limits of the continental United States and beyond such limits, not to exceed the rates of per diem established [by the Director of the Bureau of the Budget] pursuant to section 3 of the Travel Expense Act of 1949, as amended (5 U.S.C. 836) in lieu of subsistence en route and at place of such service or employment unless a higher rate is specifically provided in an appropriation or other Act: *And provided further*, That where due to the unusual circumstances of a travel assignment [within the limits of the continental United States such] the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7 of the Travel Expense Act of 1949, as amended (5 U.S.C. 840), prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed [§25], for each day in travel status, (1) *the amount of \$30, within the continental limits of the United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits.*

\* \* \* \* \*

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SEVENTH PARAGRAPH UNDER THE HEADING "ADMINISTRATIVE PROVISIONS", LEGISLATIVE BRANCH APPROPRIATION ACT, 1957 (2 U.S.C. 68b)

No part of the foregoing appropriations made under the heading "Contingent Expenses of the Senate" hereafter may be expended for per diem and subsistence expenses (as defined in the Travel Expenses Act of 1949, as amended) at rates in excess of [§12] \$16 per day; except that (1) higher rates may be established by the Committee on Rules and Administration for travel beyond the limits of the continental United States, and (2) in accordance with regulations prescribed by the Committee on Rules and Administration of the Senate,

reimbursement for such expenses may be made on an actual expense basis of not to exceed \$25 per day in the case of travel within the continental limits of the United States.

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**SECTION 801 OF THE UNITED STATES INFORMATION AND EDUCATIONAL EXCHANGE ACT OF 1948 (22 U.S.C. 1471)**

SEC. 801. In carrying out the purposes of this Act, the Secretary is authorized, in addition to and not in limitation of the authority otherwise vested in him—

\* \* \* \* \*

(6) to create with the approval of the Commission on Information and the Commission on Educational Exchange, such advisory committees as the Secretary may decide to be of assistance in formulating his policies for carrying out the purposes of this Act. No committee member shall be allowed any salary or other compensation for services; but he may be paid his [actual] transportation and other expenses, as authorized by section 5 of the *Administrative Expenses Act of 1846, as amended (5 U.S.C. 73b-2)* [and not to exceed \$10 per diem in lieu of subsistence and other expenses, while away from his home in attendance upon meetings within the United States or in consultation with the Department under instructions].

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**SECTION 3 OF THE ACT OF JULY 30, 1946 (22 U.S.C. 287o)**

SEC. 3. In fulfillment of article VII of the constitution of the Organization, the Secretary of State shall cause to be organized a National Commission on Educational, Scientific, and Cultural Corporation of not to exceed one hundred members. Such Commission shall be appointed by the Secretary of State and shall consist of (a) not more than sixty representatives of principal national voluntary organizations interested in educational, scientific, and cultural matters; and (b) not more than forty outstanding persons selected by the Secretary of State, including not more than ten persons holding office under or employed by the Government of the United States, not more than fifteen representatives of the educational, scientific, and cultural interests of State and local governments, and not more than fifteen persons chosen at large. The Secretary of State is authorized to name in the first instance fifty of the principal national voluntary organizations, each of which shall be invited to designate one representative for appointment to the National Commission. Thereafter, the National Commission shall periodically review and, if deemed advisable, revise the list of such organizations designating representatives in order to achieve a desirable rotation among organizations represented. To constitute the initial Commission, one-third of the members shall be appointed to serve for a term of one year, one-third for a term of two years, and one-third or the remainder thereof for a term of three years; from thence on following, all members shall be appointed for a term of three years each, but no member shall serve more than two consecutive terms. The National Commission shall

meet at least once annually. The National Commission shall designate from among its members an executive committee, and may designate such other committees as may prove necessary, to consult with the Department of State and to perform such other functions as the National Commission shall delegate to them. No member of the National Commission shall be allowed any salary or other compensation for services: *Provided, however,* That he may be paid [this actual] transportation [expenses, and not to exceed \$10 per diem in lieu of subsistence and other expenses, while away from his home in attendance upon authorized meetings or in consultation on request with the Department of State] and other expenses as authorized by section 5 of the Administrative Expenses Act of 1946 as amended (5 U.S.C. 73b-2). The Department of State is authorized to provide the necessary secretariat for the Commission.

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#### SECTION 5 OF THE ACT OF JULY 30, 1946 (22 U.S.C. 287q)

SEC. 5. The National Commission shall call general conferences for the discussion of matters relating to the activities of the Organization, to which conferences organized bodies actively interested in such matters shall be invited to send representatives: *Provided, however,* That the travel and maintenance of such representation shall be without expense to the Government. Such general conferences shall be held annually or biennially, as the National Commission may determine, and in such places as it may designate. They shall be attended so far as possible by the members of the National Commission and by the delegates of the United States to the General Conference of the Organization. The National Commission is further authorized to call special conferences of experts for the consideration of specific matters relating to the Organization by persons of specialized competences. [Under such regulations as the Secretary of State may prescribe, the actual transportation expenses of experts attending such conferences shall be borne by the Department of State, and they shall be allowed a per diem of \$10 in lieu of subsistence and other expenses, for the period of actual attendance and of necessary travel.] *The Department of State may pay their transportation and other expenses as authorized by section 5 of the Administrative Expenses Act of 1946 as amended (5 U.S.C. 73b-2), for the period of actual attendance and of necessary travel.*

\* \* \* \* \*

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#### SECTION 48 OF THE ALASKA OMNIBUS ACT

SEC. 48. Whenever the phrase "continental United States" is used in any law of the United States enacted after the date of enactment of this Act, it shall mean the 49 States on the North American Continent and the District of Columbia, unless otherwise expressly provided.

## SECTION 553(3) OF TITLE 28, UNITED STATES CODE

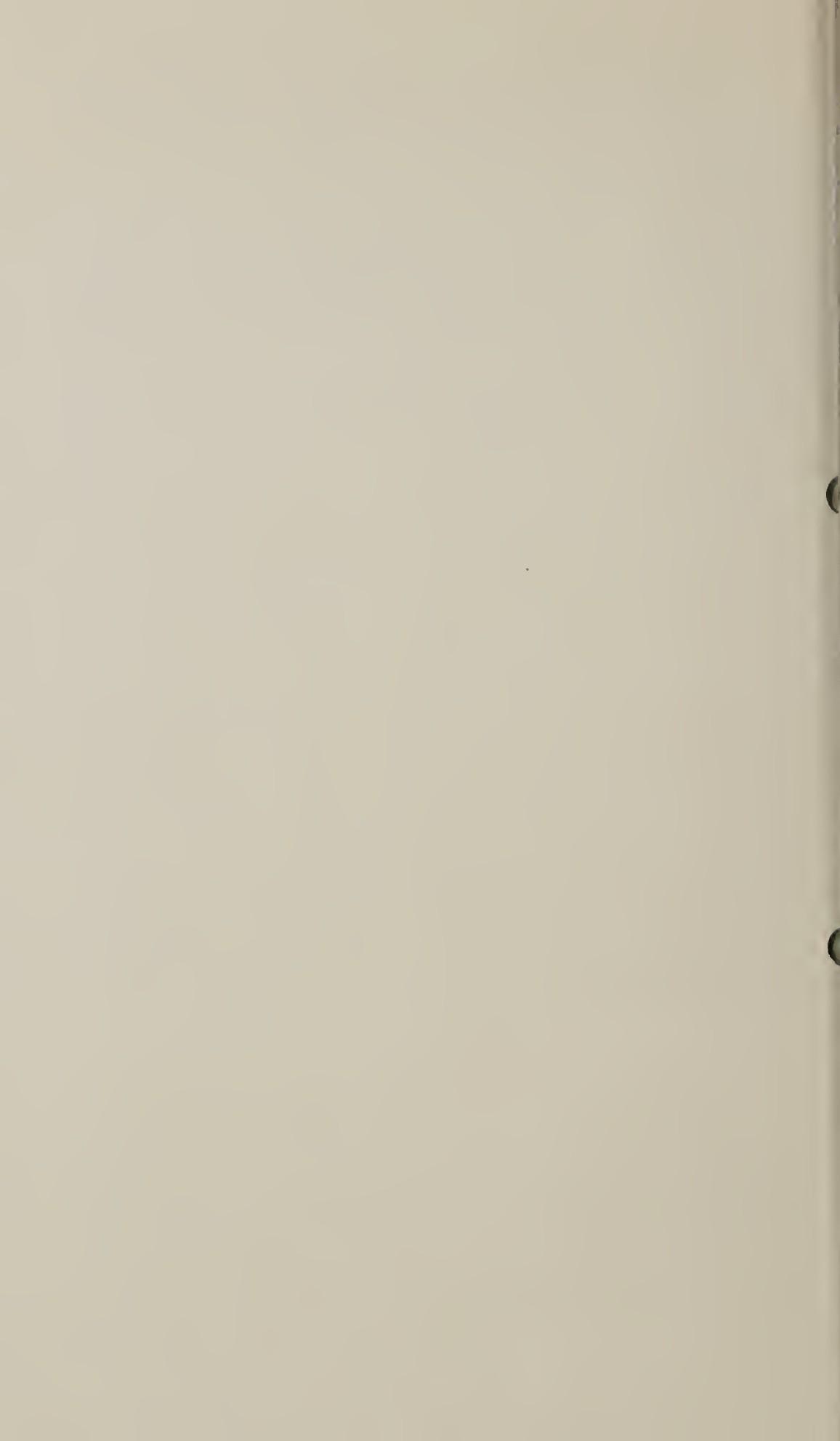
(3) His expense of travel and subsistence and that of his deputies away from their respective official stations on official business, including a mileage allowance, not to exceed [10 cents] 12 cents per mile for use of privately owned automobiles or airplanes together with the actual cost of *parking fees*, ferry fares, and bridge, road and tunnel tolls, in lieu of actual expense of transportation whenever such mode of transportation is authorized or approved as more advantageous for the government.





189 - 20.

Dr. AG



# Calendar No. 517

87TH CONGRESS  
1ST SESSION

# H. R. 3279

[Report No. 544]

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## IN THE SENATE OF THE UNITED STATES

MAY 19, 1961

Read twice and referred to the Committee on Post Office and Civil Service

JULY 14, 1961

Reported by Mr. YARBOROUGH, with amendments

[Omit the part struck through and insert the part printed in italic]

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## AN ACT

To increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That section 3 of the Travel Expense Act of 1949 (5 U.S.C.  
4       836), is amended by striking out "\$12" and inserting in  
5       lieu thereof "\$16".

6       SEC. 2. Section 5 of the Administrative Expenses Act  
7       of 1946 (5 U.S.C. 73b-2) is amended by striking out "\$15"  
8       and inserting in lieu thereof "\$16".

9       SEC. 3. Section 4 of the Travel Expense Act of 1949  
10      (5 U.S.C. 837) is amended by striking out "6 cents" and

1 inserting in lieu thereof "8 cents", and by striking out "10  
2 cents" and inserting in lieu thereof "12 cents".

3 SEC. 4. The second sentence of section 4 of the Travel  
4 Expense Act of 1949 (5 U.S.C. 837) is amended by insert-  
5 ing immediately after "the actual cost of" the following:  
6 "parking fees,".

7 SEC. 5. Paragraph (3) of section 553 of title 28, United  
8 States Code, is amended by striking out "10 cents" and in-  
9 serting in lieu thereof "12 cents" and by inserting immediately  
10 after the words "the actual cost of" the words "parking  
11 fees,".

12 SEC. 6. The Director of the Administrative Office of the  
13 United States Courts shall promulgate, in accordance with  
14 section 604(a)(7) and section 456 of title 28 of the United  
15 States Code, such regulations as he may deem necessary to  
16 effectuate the increases provided by this Act.

17 SEC. 7. The seventh paragraph under the heading "Ad-  
18 ministrative Provisions" in the Senate section of the Legisla-  
19 tive Branch Appropriation Act, 1957 (2 U.S.C. 68b), is  
20 amended by striking out "\$12" and inserting in lieu thereof  
21 "\$16".

22 SEC. 5. (a) Section 3 of the Travel Expense Act of  
23 1949, as amended (5 U.S.C. 836), is amended—

24 (1) by striking out the words "by the Director of

1       the Bureau of the Budget" which appear before the first  
2       proviso and inserting in lieu thereof "by the President  
3       or his delegate (who may be the Director of the Bureau  
4       of the Budget or any other officer of the Government)"  
5       and

6               (2) by striking out the last proviso and inserting  
7       in lieu thereof the following proviso: "*And provided*  
8       *further*, That where due to the unusual circumstances of  
9       a travel assignment the maximum per diem allowance  
10      would be much less than the amount required to meet  
11      the actual and necessary expenses of the trip, the heads  
12      of departments and establishments may, in accordance  
13      with regulations promulgated by the Director, Bureau of  
14      the Budget, pursuant to section 7, prescribe conditions  
15      under which reimbursement for such expenses may be  
16      authorized on an actual expense basis not to exceed a  
17      maximum amount to be specified in the travel authoriza-  
18      tion, but in any event not to exceed, for each day in  
19      travel status, (1) the amount of \$30, within the limits  
20      of the continental United States, or (2) the sum of the  
21      maximum per diem allowance plus \$10, for travel out-  
22      side such limits".

23               (b) Section 5 of the Administrative Expenses Act of  
24      1946, as amended (5 U.S.C. 73b-2), is amended—

1               (1) by striking out the words "by the Director of  
2               the Bureau of the Budget" which appear before the  
3               proviso; and

4               (2) by striking out the last proviso and inserting  
5               in lieu thereof the following proviso: "*Provided*, That  
6               where due to the unusual circumstances of a travel as-  
7               signment the maximum per diem allowance would be  
8               much less than the amount required to meet the actual  
9               and necessary expenses of the trip, the heads of depart-  
10              ments and establishments may, in accordance with regu-  
11              lations promulgated by the Director, Bureau of the  
12              Budget, pursuant to section 7 of the Travel Expense  
13              Act of 1949, as amended (5 U.S.C. 840), prescribe  
14              conditions under which reimbursement for such expenses  
15              may be authorized on an actual expense basis not to ex-  
16              ceed a maximum amount to be specified in the travel  
17              authorization, but in any event not to exceed, for each  
18              day in travel status, (1) the amount of \$30, within  
19              the limits of the continental United States, or (2) the  
20              sum of the maximum per diem allowance plus \$10, for  
21              travel outside such limits".

22              (c) Section 48 of the Alaska Omnibus Act (73 Stat.  
23              141; 48 U.S.C. note prec. sec. 23) shall not apply with  
24              respect to the amendments made by this section.

1 SEC. 6 9. The last proviso of section 3 of the Act of July  
2 30, 1946 (22 U.S.C. 2870), is amended to read as follows:  
3 “*Provided, however,* That he may be paid transportation and  
4 other expenses as authorized by section 5 of the Administra-  
5 tive Expenses Act of 1946, as amended (5 U.S.C. 73b-2) ”.

6 SEC. 7 10. Section 5 of the Act of July 30, 1946, as  
7 amended (22 U.S.C. 287q), is amended by striking out  
8 “Under such regulations as the Secretary of State may pre-  
9 scribe, the actual transportation expenses of experts attending  
10 such conferences shall be borne by the Department of State,  
11 and they shall be allowed a per diem of \$10 in lieu of sub-  
12 sistence and other expenses, for the period of actual attend-  
13 ance and of necessary travel.” and inserting in lieu thereof  
14 the following: “The Department of State may pay their  
15 transportation and other expenses as authorized by section 5  
16 of the Administrative Expenses Act of 1946, as amended (5  
17 U.S.C. 73b-2), for the period of actual attendance and of  
18 necessary travel.”.

19 SEC. 8 11. Paragraph (6) of section 801 of the United  
20 States Information and Educational Exchange Act of 1948  
21 (22 U.S.C. 1471 (6)) is amended by striking out “but  
22 he may be paid his actual transportation expenses, and not  
23 to exceed \$10 per diem in lieu of subsistence and other ex-  
24 penses, while away from his home in attendance upon meet-

ings within the United States or in consultation with the Department under instructions.” and inserting in lieu thereof the following: “but he may be paid his transportation and other expenses, as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2).”.

Passed the House of Representatives May 18, 1961.

Attest: RALPH R. ROBERTS,

*Clerk.*



87TH CONGRESS  
1ST SESSION  
**H. R. 3279**

[Report No. 544]

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## AN ACT

To increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes.

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MAY 19, 1961

Read twice and referred to the Committee on Post Office and Civil Service

JULY 14, 1961

Reported with amendments





# Digest of CONGRESSIONAL PROCEEDINGS

## OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF  
BUDGET AND FINANCE  
(For information only;  
should not be quoted  
or cited)

### CONTENTS

Agricultural appropriations.....	9		
Appropriations....	2,8,9,31		
Atomic energy.....	8		
Banking.....	29		
CCC.....	2,31,33		
Centennials.....	11,23		
Civil defense.....	6		
Educational exchanges....	7		
Electrification.....	18		
Farm labor.....	35		
Farm program.....	1,8,20		
Foreign aid.....	19	National flower.....	30
Grapes and plums.....	12	Natural resources.....	32
Labor standards.....	35	Per diem.....	3
Lands.....	17	Personnel.....	3,14,34
Legislative program.....	8	Recreation.....	26
Libraries.....	15	Research.....	22
Life insurance.....	3	Retirement.....	3
Livestock and feed.....	33	Rural development....	16,25
Meat prices.....	24	Safety.....	21
		Saline water.....	22
		Small business.....	28
		Sugar.....	5
		Transportation.....	4
		Travel.....	3
		Water pollution.....	27
		Water resources.....	32
		Watersheds.....	13
		Wheat.....	10

HIGHLIGHTS: Senate committee reported farm bill. To be debated beginning next Monday. House received conference report on agricultural appropriation bill. House passed bill to extend date for holding wheat referendum. Senate passed bill to authorize annual appropriations to reimburse CCC for net realized losses. Sen. Keating criticized payments to N. Y. farmer under farm program. House passed bill for USDA and land-grant college centennial celebrations. Rep. Aspinall introduced and discussed water resources planning bill.

### SENATE

1. FARM PROGRAM. The Agriculture and Forestry Committee reported with amendments S. 1643, the omnibus farm bill (S. Rept. 566). (See Digest 118 for a summary of the bill as reported by the committee.) Sen. Humphrey announced that it was the intention of the leadership to begin consideration of the bill next Mon., July 24 (p. 11769).

Sen. Keating criticized payments under the feed grains program to a N. Y. farmer who used the money to buy a new car, stated that Secretary Freeman had "accused the junior Senator from New York of seeking to make 'political hay' by meeting" with the farmer, and contended that unless "Farmer Smith and those like him challenge this program, we will soon be on the road to the complete federalization of agriculture." pp. 11768-9

2. CCC; APPROPRIATIONS. Passed without amendment S. 763, to authorize annual appropriations to reimburse CCC for net realized losses sustained during any fiscal year in lieu of annual appropriations to restore capital impairment based on annual Treasury appraisals. The bill provides for the amount of net gain or loss realized by CCC to be determined from the Corporation's financial statements as of the end of each fiscal year instead of requiring the Secretary of the Treasury to make an annual independent appraisal of the Corporation's assets and liabilities for the purpose of determining the net worth of the Corporation. p. 11749

3. PERSONNEL. Passed as reported S. 1070, to amend the Federal Employees' Group Life Insurance Act of 1954 so as to provide for an additional unit of life insurance for each insured employee (p. 11751). See Digest 118 for a summary of the bill.

Passed without amendment H. R. 5432, to make permanent the 1958 cost-of-living increases in annuities payable from the civil service retirement and disability fund. This bill will now be sent to the President. p. 11753

Senate Passed over, at the request of Sen. Muskie, H. R. 3279, to increase the maximum rates of per diem allowance of Federal employees traveling on official business. p. 11753

4. TRANSPORTATION. Passed with an amendment S. 320, to amend the Interstate Commerce Act so as to permit State commissions to grant the right to motor common carriers operating within a single State to engage in interstate or foreign operations within the boundaries of the State in which intrastate authority is being simultaneously authorized, and to authorize ICC to issue certificates of registration to existing carriers engaged in interstate operations under part II of the Act (pp. 11789-91). Agreed to an amendment by Sen. Kuchel to provide that the effective date of this amendment shall be Dec. 31, 1961, rather than Apr. 1, 1961 (p. 11790).

5. SUGAR. Sen. Mansfield inserted an article discussing trade relations with Cuba, "Molasses Deal Points Up Cuban Trade Fact: Only Sugar Imports From Island Are Barred." pp. 11728-9

6. CIVIL DEFENSE. Received from the Office of Civil and Defense Mobilization a proposed bill "to further amend section 201 (i) of the Federal Civil Defense Act of 1950, as amended"; to Armed Services Committee p. 11724

7. EDUCATIONAL EXCHANGES. By a vote of 79 to 5, passed with amendments (on Fri., July 14) S. 1154, to provide for the improvement and strengthening of the educational and cultural exchange program. pp. 11668-70

8. LEGISLATIVE PROGRAM. Sen. Smathers announced that the Atomic Energy Commission authorization bill will be considered Tues., the independent offices appropriation bill on Thurs. or Fri., and that it was the intention of the leadership to bring up the farm bill next Mon. p. 11791

HOUSE

9. AGRICULTURAL APPROPRIATION BILL, 1962. Received the conference report on this bill, H. R. 7444, (H. Rept. 726) (pp. 11793-5, 11851). Attached to this digest is a copy of the conference report and a summary of the action of the conferees.

Rep. McCormack announced that this conference report will be considered today, Tues., July 19. p. 11798

from the contingent fund of the Senate, to Lucy Lee Silcox Wood, widow of Harlan Wood, an employee of the Senate at the time of his death, a sum equal to nine months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

#### JACQUELINE E. AUCHAMPAUGH

The resolution (S. Res. 177) to pay a gratuity to Jacqueline E. Auchampaugh was considered and agreed to, as follows:

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Jacqueline E. Auchampaugh, widow of Lee M. Auchampaugh, an employee of the Senate at the time of his death, a sum equal to five months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

#### COMMENCEMENT OF TERM OF SERVICE OF SENATOR JOHN G. TOWER, OF TEXAS

The resolution (S. Res. 178) to establish the date of the commencement of the term of service of JOHN G. TOWER, a U.S. Senator, from the State of Texas was considered and agreed to, as follows:

*Resolved*, That the term of the service of the said JOHN G. TOWER shall be deemed to have commenced on the 15th day of June 1961.

#### BILL PASSED OVER

The bill (H.R. 7576) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes, was announced as next in order.

Mr. MUSKIE. Over.

The PRESIDING OFFICER. The bill will be passed over.

#### PREPAID DUES INCOME OF CERTAIN MEMBERSHIP ORGANIZATIONS

The bill (H.R. 929) to amend the Internal Revenue Code of 1954 to permit the prepaid dues income of certain membership organizations to be included in gross income for the taxable years to which the dues relate was considered, ordered to a third reading, read the third time, and passed.

#### BILL PASSED OVER

The bill (H.R. 3279) to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes, was announced as next in order.

Mr. MUSKIE. Over. It is not a calendar matter.

The PRESIDING OFFICER. The bill will be passed over.

#### PERMANENT RETIREMENT INCREASES

The bill (H.R. 5432) to make permanent certain increases in annuities pay-

able from the civil service retirement and disability fund was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. That concludes the call of the calendar.

#### LONGEVITY STEP INCREASES FOR POSTAL EMPLOYEES

Mr. MUSKIE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 443, Senate bill 1459.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1459) to amend the provisions of law relating to longevity step increases for postal employees.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Maine.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service with an amendment.

#### REVERSALS IN PRESIDENT KENNEDY'S POSITION ON MAJOR ISSUES

Mr. BENNETT. Madam President, we have seen many reversals in President Kennedy's position on major issues. One of the more recent is that relating to the economic growth of our Nation. In speech after speech in the Presidential campaign last fall, Mr. Kennedy did his best to convince the voters that Russia was rapidly overtaking the United States in its rate of economic growth. On one occasion he said:

If we don't get going again, the Soviets will be on our heels momentarily.

He indicated that the Soviet Union was growing several times faster than the United States, and on one occasion put the figure at "between two and three times as fast." As late as April 1960, President Kennedy said:

Why should we be satisfied when the Soviet Union moved ahead 10, 11, and 12 percent, and we move ahead 1 and 1½ percent?

In that statement President Kennedy suggested that the Soviet Union was moving ahead six to eight times as fast as the United States.

The reversal came at the President's last press conference, when he said that if our growth rate increases to just 4½ percent, from the current rate of 3½ percent, "the Soviet Union will not out-produce the United States in the 20th century."

And in the same press conference President Kennedy observed that while in 1913 the U.S.S.R. gross national product was 46 percent as large as ours, in 1959 it was still only 47 percent as large, a gain of only 1 percent in 46 years. The President then said:

If both countries sustained their present rate of growth, 3½ percent in the United States and 6 percent in the Soviet Union, Soviet output will not reach two-thirds of ours by 1970, and our rate will be easier to sustain and improve than the Soviet rate.

I congratulate President Kennedy upon his forthright renunciation of the fallacious statistics which helped him win his election. It is unfortunate that he could not have accepted the Republican arguments about growth rate a little earlier—perhaps last September or October—but we are happy to welcome him to our ranks, even as a latecomer.

Looking over the 1960 campaign, I think we might say the three crucial issues were the missile gap, the question of U.S. prestige abroad, and the matter of the economic growth rate. As for the missile gap, the administration admitted during its first month in office that it did not really exist after all. As for U.S. prestige abroad, this is a subject about which the President has had very little to say ever since certain events occurred last April on the shores of Cuba.

And in connection with prestige, it is interesting to note that the USIA prestige polls, which seemed so important to Mr. Kennedy during the campaign, were discontinued by the new administration in February—a fact which was not disclosed until May.

As for the third major issue, the economic growth rate, the President has, as we have seen, reversed his position on this issue, and now agrees that the Republican arguments of last fall were quite sound.

So we can see the political education of John F. Kennedy is progressing rapidly. It is unfortunate that he is being forced to learn his lessons the hard way, when he could have learned them so much more easily if he had just paid a little more attention to the speeches of Richard M. Nixon, last fall.

#### THE CAPTIVE EUROPEAN NATIONS, AND BERLIN

Mr. JAVITS. Madam President—  
The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). The Senator from New York.

Mr. JAVITS. I wish to address myself to a matter which I think is of very great seriousness to our country, the significance today of the national observance of Captive Nations Week. Senators will recall that with others of my colleagues I had the honor to sponsor the original resolution with reference to the designation of Captive Nations Week, together with Senator DOUGLAS, of Illinois. The purpose of Captive Nations Week is to keep vibrant and alive the spirit of hope in our Nation for the ultimate freedom through self-determination of the 100 million people of the Baltic countries, Estonia, Latvia, Lithuania, the Middle European countries, Poland, Czechoslovakia, and Hungary, and the Balkan countries, Rumania, Bulgaria, and Albania, still held captive by the imperialism in the Kremlin.

It will be recalled that the Communist propaganda machinery literally "blew its top" when this resolution was first adopted and Captive Nations Week was inaugurated.

This year both the President of the United States and the Governor of the

State of New York have by proclamation declared Captive Nations Week.

Why? There is a very important reason, for we face in international issue at this time which is of decisive significance to the peoples of the captive nations. That issue is the will and determination on Berlin which our Nation has shown and is showing together with its allies, the United Kingdom and France, and all the other nations of the North Atlantic Treaty Organization, who are about to give their answer to Khrushchev; and I am convinced it will be a decisive "no" to the request, demand, or invitation that we leave Berlin. The hope of the peoples of the captive nations for ultimate freedom is not dim and it is brighter now than before.

Berlin is the key to hope for the peoples of the captive nations.

Let me repeat that statement. Berlin is the key to hope for the peoples of the captive nations. If we back down on Berlin, it will be a signal to them that their hopes shall probably be unrealized for the proximate future. If we stand fast on Berlin—as we show every prospect of doing now—it will be a signal of hope to the 100 million captive peoples and the greatest single positive factor since World War II that they will yet have their freedom, for it will represent the determination of the United States and its allies that the obligations that captive peoples shall have self-determination, solemnly assumed by the Soviet Union at the end of World War II, and then violated, will yet be redeemed because we will hold the Soviet Union to its commitments.

Recently I read in the newspaper that whoever was speaking to certain groups in New York yesterday said that the ultimate hope for their freedom was dim. I do not think so. I think the hope for ultimate freedom is brighter now than ever before, and the reason for it is our stand on Berlin.

A right of national self-determination was incorporated in the agreements arrived at with the Soviet Union immediately after World War II and expressly made applicable to these captive European nations. It is a pillar of U.S. foreign policy and a basic principle of international justice. The United States can demonstrate by its attitude on Berlin that it cannot and will not accept the enslavement of the once-free captive nations of Europe, which violates the understandings arrived at with the Soviet Union, has no basis in international law, and is morally repugnant to free men.

Madam President, it is often said that we have no positive policy to pursue on Berlin; that we have to find alternatives, whether it be a "free city" or some other "gimmick." Madam President, there is a positive policy on Berlin. It is incorporated in Senate Resolution 164, which I had the honor of submitting, which is still pending before the Senate Committee on Foreign Relations. There is little we could do to more effectively signalize Captive Nations Week than to make the Communists understand that we have some power in the world, too, in terms of what will happen in their

areas, as they seem to be exercising power in terms of what happens in the free world. We should act on this resolution with respect to Berlin. The resolution calls for four-power negotiations on the means whereby a free and united Germany may be created and within it a free and united Berlin; seeks means by which the security of Europe, both East and West, may be guaranteed; rejects a unilateral abrogation by the U.S.S.R. of the post-World War II agreements regarding access to Berlin, the rights of its people for reunification of Germany; and pledges of the United States to take whatever measures may be required, together with France and the United Kingdom, to maintain these agreements.

Madam President, nothing less will impress the Communists with our seriousness than concurrence by the Congress and the Executive in the fact that serious and portentous measures may have to be taken in respect to Berlin, and that they are worth taking. We are serious; we look a serious risk in the face.

We heard only the other day a rumor that the Soviet Ambassador, at a party, said he did not think the American people meant what our Government was saying in respect to Berlin. Madam President, the Congress has every opportunity to nail that down by acting on the resolution, or on some other resolution, expressing itself in accord with what I deeply feel to be the will of the country and the will of the whole free world.

Captive Nations Week is a unique and significant time when this can be done.

I repeat, Madam President, the hope for ultimate freedom for these people is not dim. It is brighter than it was before. I think it is brighter than ever, so long as we take the position we are taking in respect to Berlin. Berlin is the key to hope for the peoples of the captive nations.

In conclusion I wish to compliment the National Captive Nations Committee, the Assembly of Captive European Nations, and the many other organizations and their leaders who are cooperating in the manifesto which signalizes this observance. I hope very much that the Committee on Foreign Relations will pay the most serious attention to the possibilities which this offers to us to act upon a resolution on Berlin now, during Captive Nations Week.

Madam President, I yield the floor.

#### TRIBUTE TO MAJORITY LEADER MIKE MANSFIELD

Mr. MUSKIE. Madam President, I am sure that all of us have been impressed by the quietly competent performance of the distinguished majority leader, the Senator from Montana [MR. MANSFIELD]. His emphasis has been upon teamwork, upon sharing of responsibility, upon maximum consideration of differences of view with minimum strain upon time and energies of the Members of the Senate, and upon results.

The record of this session of the Senate attests to those results.

On this point an article by Russell Baker, published in the New York Times today, July 17, is an excellent analysis of the majority leader's kind of leadership. I ask unanimous consent that the article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

**SENATE SHOWS HUSHED NEW LOOK; MANSFIELD SETTING QUIETER STYLE—"BAND" WILSON CALLED WILLFUL IS GIVING PRESIDENT MOST OF WHAT HE WANTS UNDER COLLECTIVE LEADERSHIP PLAN**

(By Russell Baker)

WASHINGTON, July 16.—Like the Soviet Union after Stalin's death, the Senate has entered an unreal and puzzling transitional era of collective leadership.

Traditionally the focus of opposition to energetic Presidents, this week, compliant new Senate has turned in the last 7 months into the quietest, most efficient and dullest fort on the New Frontier.

Under the new style of collective leadership directed by MIKE MANSFIELD of Montana, its results are startling. What President Kennedy wants, President Kennedy pretty much gets. His congressional troubles no longer come from the body whose Members have often worn with pride Woodrow Wilson's epithet—"a little band of willful men." Now the troubles come from the once herdlike House of Representatives.

#### MAJOR GAIN FOR KENNEDY

The change from the turbulent days when Joseph R. McCarthy, of Wisconsin, challenged the White House from Capitol Hill and LYNDON B. JOHNSON of Texas built the Democratic leadership into the second most powerful office in Washington has been one of President Kennedy's singular blessings.

With little more excitement than a meeting of General Motors stockholders, the Senate has given him very much what he requested in unemployment insurance, social security expansion, depressed-areas rehabilitation, education, farm law, and a score of other programs.

Its manner has been as startling as its results. The slashing personal attacks from the floor, the rollicking ructions of late night sittings, the open horse trading and personal vendettas that made the Senate a cockpit of drama have almost disappeared.

In its place is the bland, new throwaway style of the corporation board rooms heavy with understatement, dully efficient, disdaining debate and bombast and even the surgical stroke of wit.

In the gentlemanly hours between noon and teatime the Senate processes the President's programs so effortlessly that the papers find it hardly worth reporting.

#### LITTLE EXCITEMENT LEFT

Long holiday weekends are the rule. Night sessions are extraordinary. For days at a time, while it waits upon the obstreperous House, it offers the galleries no spectacle more exciting than a parade of Members offering old newspaper clippings and other such chaff for reprinting in the CONGRESSIONAL RECORD.

Over coffee in the Senate dining room, and there is plenty of time for coffee these days, conversation proceeds inevitably from self-congratulation on this year's performance to uneasy speculation that the Senate has lost its old tone and style.

The general feeling is that at the moment Washington has one Senate in search of a character.

"We're in one of those pauses between cycles," one member of the hierarchy suggests.

Part of the explanation of the new Senate is simple political arithmetic. Sixty-four





# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF  
BUDGET AND FINANCE  
(For information only;  
should not be quoted  
or cited)

## CONTENTS

Appropriations.....	5
Assistant Secretaries....	3
Buildings.....	30
Corn.....	17
Cotton imports.....	26
Dairy subsidies.....	21
Education.....	2, 25
Expenditures.....	19
Fair trade.....	11
Farm labor.....	1, 7
Farm program.....	27
Food.....	18
Foreign aid.....	15
Foreign trade.....	16, 24, 31
Forestry.....	1
Lands.....	9
Livestock and poultry....	1
Monopolies.....	12
Peace Corps.....	32
Per diem.....	4

Issued July 20, 1961  
For actions of July 19, 1961  
87th-1st, No. 121

Personnel.....	3, 4, 28	Surplus commodities..	16, 24
Public debt.....	13	Textiles.....	22
Reclamation.....	23	Travel rates.....	4
Recreation.....	33	Virgin Islands.....	10
Retirement.....	28	Water resources.....	8
Rivers and harbors.....	20	Wilderness.....	29
Small business.....	12	Wildlife.....	14
Sugar.....	6	Youth Corps.....	34

HIGHLIGHTS: Senate committee voted to report bill to extend Mexican farm labor program. House subcommittee voted to report bill to extend Fair Labor Standards Act to children employed in agriculture. House Rules Committee tabled measure to authorize investigation of sugar program. House received conference report on general Government matters-Commerce appropriation bill. Rep. Cooley introduced farm bill.

## SENATE

1. THE AGRICULTURE AND FORESTRY COMMITTEE voted to report (but did not actually report) the following bills: p. D587
  - H. R. 2010, with amendments, to extend the Mexican farm labor program.
  - S. 860, without amendment, to grant the Secretary of Agriculture additional authority for protection against the introduction and dissemination of diseases of livestock and poultry.
  - S. 702, without amendment, to authorize the Secretary of Agriculture to exchange a tract of forest land with the town of Afton, Wyo.
  - H. R. 2249, without amendment, to authorize the Secretary of Agriculture to convey a tract of forest land in Calif. to Trinity County.
  - H. R. 2250, without amendment, to authorize the Secretary of Agriculture to convey a tract of forest land in Lassen County, Calif., to the city of Susanville.
2. EDUCATION. The Labor and Public Welfare Committee voted to report (but did not actually report) an original bill to amend and extend provisions of the National Defense Education Act. p. D588
3. PERSONNEL. The Labor and Public Welfare Committee approved S. 2073, to authorize two additional Assistant Secretaries in the Department of Health, Education,

and Welfare, and S. 1815, to authorize one additional Assistant Secretary in the Department of Labor. p. D588

4. TRAVEL RATES. As reported (see Digest 118) H. R. 3279, to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, includes provisions as follows:

Increases the normal maximum per diem allowance from \$12 to \$16 for regular full-time employees of the Government and makes the same adjustment in the rate applicable to intermittent and w.o.c. employees.

Increases the maximum allowance for official travel authorized to be performed on an actual expense basis from \$25 to \$30 per day.

Increases the maximum allowance for use of privately owned automobiles or airplanes from 10 cents to 12 cents per mile.

Increases the maximum allowance for the use of privately owned motorcycles from 6 cents to 8 cents per mile.

Allows reimbursement on an actual expense basis up to \$10 in excess of the normal per diem allowance established in a given country for employees traveling outside the continental United States or Alaska when authorized due to unusual circumstances surrounding the travel.

Adds parking fees when incurred while in official travel status as an item of expense for which reimbursement is permissible.

Transfers to the President authority now vested in the Bureau of the Budget to establish per diem rates outside the continental United States.

Preserves the status of Alaska and Hawaii that existed prior to their obtaining statehood as areas in which travel allowance would be fixed on the basis of cost.

HOUSE

5. APPROPRIATIONS. Received the conference report on H. R. 7577, the general Government matters-Commerce appropriation bill for 1962 (H. Rept. 744) (pp. 11973-4, 12018). The bill includes \$27,400,000 for financing forest highways out of trust funds. Also, it includes the general provisions applicable to the Government generally as included in the bill as passed by the House (see Digest 98). The bill also includes items for the Budget Bureau, Council of Economic Advisers, Census Bureau, Bureau of Public Roads, Weather Bureau, Advisory Commission on Intergovernmental Relations, Small Business Administration, and Tariff Commission.

6. SUGAR. The Rules Committee tabled H. Res. 364, to authorize an investigation by a select committee of the House for the purpose of determining whether the public interest would be served by modifying or discontinuing the sugar program. p. D591

7. AGRICULTURAL LABOR. The Education and Labor Committee reported with amendments H. R. 7812, to provide for the registration of contractors of migrant agricultural workers (H. Rept. 743). p. 12018

The "Daily Digest" states that the Select Subcommittee on Labor of the Education and Labor Committee "met in executive session and ordered a clean bill introduced for reporting to the House in lieu of H. R. 8191, to extend the child labor provisions to certain children employed in agriculture." p. D590

8. WATER RESOURCES. The "Daily Digest" states that the Rules Committee "granted an open rule on H. R. 30, granting the consent and approval of Congress to the northeastern water and related land resources compact." p. D591





# Digest of CONGRESSIONAL PROCEEDINGS

## OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

### CONTENTS

Adjourned.....	16
Appropriations.....	7, 12
Centennials.....	5
Civil defense.....	11
Cotton.....	9
Eggs.....	3
Farm income.....	13
Farm labor.....	4, 15
Farm program.....	3
Food supply.....	18
Foreign aid.....	9
Foreign currencies.....	9
Forestry.....	8

Fruits.....	9
Lands.....	6, 8
Meats.....	14
Natural resources.....	9
Per diem.....	1
Public lands.....	6, 8
Public Law 480.....	9
Recreation.....	8
Research.....	19
School lunches.....	3
Sugar.....	2
Surplus commodities...	9, 18
Tariffs.....	10
Taxation.....	17
Transportation.....	9
Travel rates.....	1

HIGHLIGHTS: Senate passed bill to authorize increased per diem travel rates. Sen. Bennett and others urged enactment of sugar legislation this session. Senate began debate on independent offices appropriation bill.

### SENATE - JULY 28

1. TRAVEL RATES; PER DIEM. Passed with amendments H. R. 3279, to authorize an increase in the rates of per diem allowance for employees of the Government traveling on official business (pp. 12962-4). Agreed to two amendments by Sen. Yarborough which he explained were "to correct errors in the draftsmanship of the bill" (p. 12963). See Digest 121 for a summary of the provision of the bill.
2. SUGAR. Sen. Bennett expressed disappointment "in the recent announcement by the Secretary of Agriculture that the administration will not recommend any sugar legislation in the current session of Congress," and urged enactment of legislation this session of Congress to reallocate the former Cuban sugar quota. Sens. Holland and Curtis expressed agreement with Sen. Bennett's statement. p. 12918
3. FARM PROGRAM. Conferees were appointed on S. 1643, the omnibus farm bill (p. 12926). House conferees have already been appointed. The bill as passed by the House was printed in the Congressional Record (pp. 12919-26).  
Sen. Symington expressed hope that if a provision is not included in the omnibus farm bill by the conferees to include chicken hatching eggs under the marketing quota provisions of the bill that early consideration would be given

OFFICE OF  
BUDGET AND FINANCE  
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87th-1st, Nos. 127 and 128

to legislation to provide "authority for marketing agreements that would appear essential to the recovery and health of the broiler industry." He also urged this Department to "pursue vigorously proposals for increased purchases of broilers for school lunches and other consumptive uses of the present over-production." pp. 12888-9

4. FARM LABOR. Sen. Javits stated he wished "to draw attention to what has been done and is continuing to be done by the State of New York ... in comprehensive legislation for the protection of the domestic agricultural worker," and inserted an article from an issuance of the New York State Department of Labor "State Labor Department Safeguards Migrants -- Protects Welfare, Rights of 20,000 Crop Harvesters." pp. 12846-9
5. CENTENNIALS. Sen. Dirksen inserted a resolution from the Illinois legislature giving official notice to the land-grant centennial observance. p. 12892
6. PUBLIC LANDS. Passed without amendment S. 799, to amend the act of March 8, 1922, so as to permit the Secretary of Interior to sell, under certain conditions, lands in Alaska known to contain workable coal, oil, or gas deposits. p. 12961
7. APPROPRIATIONS. The Subcommittee of the Appropriations Committee voted to report to the full committee with amendments H. R. 7851, the Defense Department appropriation bill for 1962. p. D631
8. PUBLIC LANDS; RECREATION. The Interior and Insular Affairs Committee reported with amendments S. 543, to promote the preservation, for the public use and benefit, of certain portions of the shoreline areas of the United States (S. Rept. 649). p. 12844
9. FOREIGN AID. Sen. Byrd, Va., submitted amendments intended to be proposed to S. 1983, the foreign aid authorization bill. He explained that the proposed amendments would "eliminate the provisions in the bill for financing the new Development Loan Fund through the so-called back door with expenditures from public debt receipts, and to substitute instead an authorization for orderly and unquestionable annual appropriations" and "would authorize annual appropriations over the span of 5 fiscal years, 1962-66." pp. 12846, 12902-5

As reported by the Foreign Relations Committee (see Digest 123), this bill includes provisions as follows:

Establishes a development loan fund for use in making loans to underdeveloped nations and authorizes the President to borrow from the Treasury \$1.187 billion in fiscal year 1962 and up to \$1.9 billion in each of the next 4 fiscal years for this new development loan program.

Authorizes \$395 million for fiscal year 1962 for development grants and technical cooperation for aiding underdeveloped nations.

Exempts from the 50-50 cargo preference shipping requirements (for shipments on U. S. Flag vessels) the transportation between foreign countries of goods purchased with foreign currencies acquired under this bill or under Public Law 480 and exempts the shipment of fresh fruits and their products under this bill.

Prohibits use of funds authorized by the bill for the purchase of bulk commodities at prices higher than the prevailing market price in the U. S., adjusted for differences in transportation costs, quality, and terms of payment. The bill does not carry forward the present law's exemption with respect to the purchase of raw cotton in bales.

ing ordinance which complies with standards prescribed by the Secretary for the purpose of preserving the historic character of Medora and affording a park-like setting in the vicinity of the park and the entrance thereto.

**Sec. 4.** There are authorized to be appropriated for the construction of these facilities such sums as may be required therefor, not to exceed \$100,000.

**Mr. MANSFIELD.** Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 612), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

S. 98 provides for the expansion of water and sewage disposal facilities in the town of Medora, N. Dak., and sets forth the arrangements which it is proposed will be made for Federal construction under the authority of the Secretary of the Interior with reimbursement by the non-Federal users.

#### NEED

The water and sewage systems authorized for expansion under the reported legislation will afford adequate facilities to persons visiting Theodore Roosevelt National Memorial Park, N. Dak., of whom there were some 223,000 in 1960. The town of Medora adjoins the park and has a population of approximately 152 persons. Medora lacks adequate water and sanitation facilities to care for park visitors who stop there.

Theodore Roosevelt National Memorial Park was established by the act of Congress approved April 25, 1947 (61 Stat. 52), and preserves a part of the Theodore Roosevelt Elkhorn Ranch and badlands along the Missouri River as a memorial to the former President's contributions to the conservation of our Nation's resources and to his part in developing the northern open range cattle industry. Medora is a pioneer cattle town and the proposed development would do much to enhance the setting of the park entrance as well as encourage the preservation and restoration of the town in its pioneer setting.

Under the provisions of the bill, construction of the proposed facilities would not be undertaken until at least 80 percent of the prospective non-Federal users had committed themselves to connecting on to the systems and until the town of Medora has adopted and enforced zoning ordinances designed to preserve the historic character of the town and afford a park-like setting in the vicinity of the park and its entrance.

#### COSTS

The Federal investment in the proposed facilities would be approximately \$91,000. The Government would be reimbursed by the users for depreciation, figured on the basis of full depreciation of mechanical equipment within 15 years and utility lines and improvements within 50 years, and costs of operation and maintenance of the systems. An annual payment of \$3,742 by the users would be needed to cover such cost factors.

#### AMENDMENTS

In addition to the cost items explained in the above paragraph, the committee has amended the bill to provide for the recovery by the Government of interest charges. An annual payment by the users of a total of \$6,000 rather than \$3,742 is thereby provided for.

A simple perfecting amendment was also adopted by the committee.

**Mr. MANSFIELD.** Mr. President, I ask that the committee amendments be agreed to en bloc.

**The PRESIDING OFFICER.** Without objection, the committee amendments are agreed to en bloc.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### SALE OF LANDS IN ALASKA

**Mr. MANSFIELD.** Mr. President, I move that the Senate proceed to the consideration of Calendar No. 614, Senate bill 799.

**The PRESIDING OFFICER.** The bill will be stated by title.

**THE LEGISLATIVE CLERK.** A bill (S. 799) to amend the act of March 8, 1922, as amended, to extend its provisions to public sales.

**The PRESIDING OFFICER.** The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

**Mr. MANSFIELD.** Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 614), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

#### PURPOSE

A full explanation of the need for the enactment of S. 799 is contained in the favorable report received from the Secretary of the Interior, dated May 2, 1961, which is set forth below:

U.S. DEPARTMENT OF THE INTERIOR,  
OFFICE OF THE SECRETARY,  
Washington, D.C., May 2, 1961.

Hon. CLINTON P. ANDERSON,  
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR SENATOR ANDERSON: Your committee has requested a report on S. 799, a bill to amend the act of March 8, 1922, as amended, to extend its provisions to public sales.

We do not object to enactment of the bill.

Section 2455 of the Revised Statutes (43 U.S.C., sec. 1171) permits the sale at public auction of isolated and disconnected tracts of public land. The provisions of this section are applicable to Alaska. However, there is no provision by which lands mineral in character may be sold thereunder in Alaska. The act of July 17, 1914, as amended, (30 U.S.C., secs. 121-123), permits the disposition under the nonmineral public land laws of lands valuable for oil, gas, and certain other minerals subject to a reservation to the United States of the minerals for which the land is withdrawn or classified. Consequently, land may be sold under section 2455 subject to such a reservation. Unfortunately, the 1914 act is not applicable to the new State of Alaska, and there can, therefore, be no sale under section 2455 of land in Alaska subject to a mineral reservation.

The act of March 8, 1922, as amended (48 U.S.C., secs. 376, 377), authorizes homestead entry on land in Alaska valuable for coal, oil, or gas, and the granting of patents subject to coal, oil, and gas reservations. It does not, however, provide for general disposition under the nonmineral public land laws of lands valuable for coal, oil, or gas. Con-

sequently, it cannot be applied to sales under section 2455.

S. 799 would amend the 1922 act by adding a new section providing for sales of land in Alaska under section 2455 subject to a reservation of coal, oil, or gas. The measure will thus correct a handicap imposed on the disposition of land in Alaska.

The Bureau of the Budget has advised that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,  
**JOHN A. CARVER, Jr.**  
Assistant Secretary of the Interior.

**The PRESIDING OFFICER.** The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of March 8, 1922 (42 Stat. 415; 48 U.S.C. 376, 377), as amended, is hereby further amended by adding a new section thereto reading as follows:*

"**Sec. 3.** The Secretary of the Interior may sell under the provisions of section 2455 of the Revised Statutes (43 U.S.C. 1171), as amended, lands in Alaska known to contain workable coal, oil, or gas deposits, or that may be valuable for the coal, oil, or gas contained therein, and which are otherwise subject to sale under said section 2455, as amended, upon the condition that the patent issued to the purchaser thereof shall contain the reservation required by section 2 of this Act."

#### LEASING OF LANDS IN STATE OF UTAH BY SECRETARY OF THE INTERIOR

**Mr. MANSFIELD.** Mr. President, I move that the Senate proceed to the consideration of Calendar No. 615, Senate bill 888.

**The PRESIDING OFFICER.** The bill will be stated by title.

**THE LEGISLATIVE CLERK.** A bill (S. 888) to authorize the Secretary of the Interior to lease certain lands in the State of Utah to Joseph A. Workman.

**The PRESIDING OFFICER.** The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 3, line 10, after the word "shall", to strike out the comma and "subject to the provisions of the leases numbered 14-20-462-325 and 14-20-462-325(a), respectively, be leased for terms of ten years each beginning January 26, 1959" and insert "be leased for a term of ten years beginning January 26, 1959, and as long thereafter as gilsonite is produced in paying quantities"; after line 15, to strike out:

**Sec. 3.** Any amounts paid, prior to the date of enactment of this Act, by the said Joseph A. Workman as rents, any royalties pursuant to the leases numbered 14-20-462-325 and 14-20-462-325(a) shall be credited by the Secretary of the Interior against any amounts which may be due or owing by the said Joseph A. Workman under any agreements entered into pursuant to this Act.

And, after line 22, to strike out:

SEC. 4. The Ute Indian Tribe and the Affiliated Ute Citizens are hereby relieved of all liability to the United States for reimbursement of any amounts which may have been made available for their use and benefit, prior to the date of enactment of this Act, pursuant to the terms and conditions of the leases numbered 14-20-462-325 and 14-20-462-325(a).

So as to make the bill read:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized to enter into agreements with Joseph A. Workman, of Roosevelt, Utah, leasing the following described tracts of lands to the said Joseph A. Workman for the sole purpose of prospecting for, and the mining of, gilsonite:*

(a) Beginning at a point (numbered 1), 1,300 feet north of section corner common to sections 15, 16, 21, and 22; thence north 645 feet to point numbered 2; thence south 50 degrees 30 minutes east 3,500 feet to point numbered 3; thence south 645 feet to point numbered 4; thence north 50 degrees 30 minutes west 3,500 feet to point of beginning, sections 15 and 22, township 10 south, range 20 east, Salt Lake meridian, Uintah and Ouray Reservation, Uintah County, State of Utah, and containing 40 acres, more or less.

(b) Beginning at point numbered 1, 2,230 feet south of section corner common to sections 16, 17, 20, and 21; thence north 55 degrees west 2,750 feet to point numbered 2; thence north 51 degrees west 1,540 feet to point numbered 3; thence north 71 degrees west 2,100 feet to point numbered 4; thence north 510 feet to point numbered 5; thence south 71 degrees east 850 feet to point numbered 6; thence north 51 degrees west 1,050 feet to point numbered 7; thence north 650 feet to point numbered 8; thence south 51 degrees east 4,440 feet to point numbered 9; thence south 55 degrees east 2,440 feet to point numbered 10; thence south 590 feet to point of beginning, sections 17 and 20, township 9 south, range 20 east, Salt Lake meridian, Uintah and Ouray Reservation, Uintah County, State of Utah, and containing 96 acres, more or less.

SEC. 2. Any agreement entered into pursuant to the first section of this Act shall provide (1) for the leasing of the lands described in paragraphs (a) and (b) of the first section in accordance with the same terms and conditions, except as otherwise provided in this Act, as those provided for in the leases numbered 14-20-462-325 and 14-20-462-325(a), respectively, dated January 26, 1959, entered into between (A) the Ute Indian Tribe of the Uintah and Ouray Reservation and the Affiliated Ute Citizens of the State of Utah, and (B) Joseph A. Workman; (2) that all rents and royalties payable under any such agreements shall be paid to the Secretary of the Interior and deposited by him in the general fund of the Treasury of the United States; and (3) that such lands described in paragraphs (a) and (b) of the first section shall be leased for a term of ten years beginning January 26, 1959, and as long thereafter as gilsonite is produced in paying quantities.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 615), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

#### PURPOSE OF S. 888

The reported bill authorizes the Secretary of the Interior to lease to Joseph A. Workman of Roosevelt, Utah, approximately 136 acres for the sole purpose of prospecting for and mining gilsonite. The terms of the

lease would be the same as those contained in two leases of the same land dated January 26, 1959, between the Ute Indians and Mr. Workman.

#### NEED

The lease issued to Mr. Workman by the Ute Indians had been issued under the mistaken belief that the mineral estate in the affected lands resided in the tribe. In fact, the lands in question had been added to the Uintah and Ouray Reservation by the act of March 11, 1948 (62 Stat. 72), under provisions reserving to the United States certain mineral interests, including gilsonite rights.

The Bureau of Land Management has authority to issue a lease for gilsonite but there is no authority to issue a preference lease to Mr. Workman.

It is the committee's judgment that, because the facts show no intentional error on the part of either Mr. Workman or the Ute Indians, Mr. Workman's equities should be preserved in the manner provided for in this bill.

#### AGENCY REPORTS

The favorable reports of the Department of the Interior and the Bureau of the Budget are set forth in the committee report.

Mr. MANSFIELD. Mr. President, I ask that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. Without objection, the committee amendments are agreed to en bloc.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### PRINTING OF ADDITIONAL COPIES OF ANALYSIS ENTITLED "THE PUGWASH CONFERENCES"

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 616, Senate Concurrent Resolution No. 33.

The PRESIDING OFFICER. The concurrent resolution will be stated by title.

The LEGISLATIVE CLERK. A concurrent resolution (S. Con. Res. 33), to print additional copies of an analysis entitled "The Pugwash Conferences."

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the concurrent resolution.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 641), explaining the purposes of the resolution.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The printing-cost estimate, supplied by the Public Printer, is as follows:

Back to press, first 1,000 copies	-----	\$393.41
9,000 additional copies at \$141.36		
per 1,000	-----	1,272.24

Total estimated cost, S. Con.

Res. 33	-----	1,665.65
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The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 33) was agreed to, as follows:

*Resolved by the Senate (the House of Representatives concurring), That there be printed for use of the Senate Committee on the Judiciary ten thousand copies of a staff analysis entitled "The Pugwash Conferences" prepared for the Internal Security Subcommittee of the Committee on the Judiciary.*

#### TRAVEL EXPENSES OF GOVERNMENT EMPLOYEES

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 517, H.R. 3279.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 3279) to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the bill which had been reported from the Committee on Post Office and Civil Service, with amendments, on page 2, after line 6, to insert a new section, as follows:

Sec. 5. Paragraph (3) of section 553 of title 28, United States Code, is amended by striking out "10 cents" and inserting in lieu thereof "12 cents" and by inserting immediately after the words "the actual cost of" the words "parking fees".

After line 11, to insert a new section, as follows:

Sec. 6. The Director of the Administrative Office of the United States Courts shall promulgate, in accordance with section 604(a)(7) and section 456 of title 28 of the United States Code, such regulations as he may deem necessary to effectuate the increases provided by this Act.

After line 16, to insert a new section, as follows:

Sec. 7. The seventh paragraph under the heading "Administrative Provisions" in the Senate section of the Legislative Branch Appropriation Act, 1957 (2 U.S.C. 68b), is amended by striking out "\$12" and inserting in lieu thereof "\$16".

At the beginning of line 22, to change the section number from "5" to "8"; on page 5, at the beginning of line 1, to change the section number from "6" to "9"; at the beginning of line 6, to change the section number from "7" to "10", and at the beginning of line 19, to change the section number from "8" to "11".

Mr. MILLER. Mr. President, I wonder if consideration of the bill can be postponed until tomorrow at least? I have been trying to discuss a possible amendment with the manager of the bill. Right now we are not together, but I am not satisfied with it.

Mr. MANSFIELD. I am sorry to hear the statement of the distinguished Senator from Iowa, because the senior Senator from Texas [Mr. YARBOROUGH] has been very patient for the past 2 days and has spent a good deal of time in the Chamber awaiting consideration of the bill. I held it back to the last with the hope—perhaps "understanding" would

be the word—that the Senator from Iowa and the Senator from Texas could get together. However, if there is no possibility of agreement, my hands are tied. I shall have to accede to the wishes of the Senators concerned.

Mr. MILLER. Mr. President, if the majority leader wishes to proceed, all I can do is to say that I shall have to be recorded as voting in the negative on the measure.

Mr. MANSFIELD. I did not mean that. I am hopeful that the senior Senator from Texas will at least be able to explain his measure, and perhaps the Senator from Iowa will explain his reaction to the statement of the Senator from Texas.

If we cannot come to an agreement tonight, we will try to reach an agreement at a later date. I am thinking of the inconvenience I have caused the Senator from Texas.

Mr. YARBOROUGH. Mr. President, I send to the desk 2 amendments to correct errors in the draftsmanship of the bill.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The PRESIDING OFFICER. The amendments offered by the Senator from Texas will be stated, and, without objection, they will be considered en bloc.

The LEGISLATIVE CLERK. On page 2 line 21, before the period insert a comma and the following: "and by striking out '\$25' and inserting in lieu thereof '\$30'."

On page 5, line 2, strike out "2870" and insert "2870."

Mr. YARBOROUGH. In drafting the bill the "0" in "2870" was intended to be a small "o". These are purely corrective amendments, and will make the bill reflect what was intended to be reported by the committee.

The PRESIDING OFFICER. The question is on agreeing, en bloc, to the amendments offered by the Senator from Texas.

The amendments were agreed to.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. YARBOROUGH. I yield.

Mr. CURTIS. Will the Senator explain the bill?

Mr. YARBOROUGH. Yes. The bill would change the per diem and travel expenses for Government employees. It would increase the normal maximum per diem allowance from \$12 to \$16 for regular full-time employees of the Government and make the same adjustment in the rate applicable to intermittent and W.O.C. employees.

It increases the maximum allowance for official travel authorized to be performed on an actual expense basis from \$25 to \$30.

We do not set out the exact amount that will be paid. These are all allowable maximums. Each department, from long practice over many decades, has set its own standards. This permits a department to have a maximum which it can allow, based on its experience.

Mr. CURTIS. Regular employees on salaries are the employees I have in mind. Their per diem has been raised from what to what? I mean how much has the ceiling been raised?

Mr. YARBOROUGH. These are the maximums allowed. This is not the amount allowed absolutely. Each department has the power to fix a per diem allowance. The maximum allowed was \$12 a day. This gives a department the power to fix the allowance at not more than \$16 a day. A number of departments have allowances below the maximum, depending on the experience of that department.

Mr. CURTIS. What category of employees falls into the higher per diem allowed?

Mr. YARBOROUGH. This is for specialized types of travel. It is for employees who find it particularly expensive to travel. It would apply to the Foreign Service, for example. Sometimes it is necessary for an FBI agent, for example, to live in a high-priced hotel. It is to cover a situation in which a person, in performing his duty, is required to live in an especially high-priced place. It may be in connection with a conference, when a representative of our country travels to a foreign nation, or it may cover a group from the State Department, when the officers must stay at a certain hotel. It is not to be generally allowed. This is for the purpose of covering extraordinary expenses, and it is allowed only on a finding that it is necessary for a person to incur this extraordinary expense.

Mr. CURTIS. The present maximum is what?

Mr. YARBOROUGH. \$25. The bill would raise the maximum to \$30.

The bill increases the maximum allowance for use of privately owned automobiles or airplanes from 10 cents to 12 cents per mile.

It would increase the maximum allowance for the use of privately owned motorcycles from 6 cents to 8 cents per mile.

It would allow reimbursement on an equal expense basis up to \$10 in excess of the normal per diem allowance established in a given country for employees traveling outside the continental United States or Alaska when authorized due to unusual circumstances surrounding the travel.

It raises the authorized maximum per diem of certain State Department advisory committees to the same rate applicable to other Federal employees.

At this time the State Department advisory committees are not allowed to draw at these rates.

The bill also adds parking fees when incurred while in official travel status as an item of expense for which reimbursement is permissible.

This does not allow a Federal employee to go to a parking lot downtown and park his car there and be paid for the expense of parking his car. It covers the situation of an Internal Revenue agent, for example, who drives downtown to audit some books. He may have to pay \$1.75 for parking his car in a

parking lot. He may then have to move on to another place and pay the same amount. This becomes quite burdensome to these employees. The bill is very carefully drawn, I might add. No reimbursement can be made for the expense of normal parking which a person does in connection with his own automobile when he drives to work and parks his car in a lot near his place of work. As I say, this has proved to be quite a burdensome expense. The bill covers only special parking on a special job.

The bill also would transfer to the President authority now vested in the Bureau of the Budget to establish per diem rates outside the continental United States.

This has been recommended by the Bureau of the Budget and other agencies. It has long been vested in the Bureau of the Budget, but it would now be placed in the President's Office.

The bill preserves the status of Alaska and Hawaii which existed prior to their obtaining statehood, as areas in which travel allowance would be fixed on the basis of cost. In other words, it is more expensive to travel in Alaska and Hawaii than it is in the other 48 States.

Mr. CURTIS. I believe we have established the record. I have one more question to ask. What additional annual expense would the passage of the bill entail?

Mr. YARBOROUGH. There was no uniform finding as to that.

Mr. CURTIS. What testimony did the Senator have on this point?

Mr. YARBOROUGH. There was a great variance of opinion in the evidence as to what it would be. It would be controlled by the Appropriations Committee.

Mr. CURTIS. Was there disagreement among the Government witnesses as to what the cost would be?

Mr. YARBOROUGH. No; there was no disagreement on that point.

Mr. CURTIS. May I ask whether any of the departments reported on the bill? If so, were they opposed?

Mr. YARBOROUGH. Yes; there are departmental reports on the bill.

Mr. CURTIS. Does it have departmental approval?

Mr. YARBOROUGH. The State Department approved its part of it. The Comptroller General recommended amendments.

Mr. CURTIS. Were the recommendations of the Comptroller General adopted?

Mr. YARBOROUGH. The administration approved an adjustment in the per diem, but did not approve the increase in the mileage rates.

Mr. CURTIS. The Comptroller General recommended certain amendments. Were his recommendations adopted?

Mr. YARBOROUGH. They were adopted.

Mr. CURTIS. Does the bill have the unanimous support of the committee?

Mr. YARBOROUGH. Yes, it has the unanimous support of the committee, from both parties.

Mr. CURTIS. But the Senator has no estimate as to the additional cost?

Mr. YARBOROUGH. The judicial finding of the Department was that the cost could be absorbed. There was no official finding that the proposal would cost this much more. With proper handling by the Department, the cost can be absorbed.

We were mindful of the total cost of Government travel every year. The total cost of Government travel is more than \$1 billion a year. More than half is for military travel.

Mr. CURTIS. The military travel is not included in the bill, is it?

Mr. YARBOROUGH. No; it is not included in the bill. The bill does not touch military travel. More than half the cost of Government travel is military travel. It is close to \$600 million. Military travel is a big expense.

Mr. MORTON. Mr. President, will the Senator from Texas yield?

Mr. YARBOROUGH. I yield.

Mr. MORTON. Is it not true that the appropriation bill for each department and agency provides an amount for travel, over which Congress has control?

Mr. YARBOROUGH. That is correct. The amount for travel is controlled by Congress, based on the departmental requests which are submitted to Congress.

Mr. MILLER. Mr. President, will the distinguished Senator from Texas yield?

Mr. YARBOROUGH. I yield.

Mr. MILLER. With respect to section 3 of the bill, relating to the increase in travel expense and mileage allowance from 6 to 8 cents and from 10 to 12 cents, I ask the Senator whether there is uniformity among the departments and agencies and as to the amount of mileage payments?

Mr. YARBOROUGH. It is my understanding that the travel allowances of the departments, based upon their experience, are not uniform. All departments do not have the same maximum amounts.

Mr. MILLER. Do I understand that the bill does not provide for such uniformity among the departments?

Mr. YARBOROUGH. No; there is nothing in the bill to provide that the State Department and Justice Department travel allowances shall be uniform. A marshal transporting prisoners, an agricultural agent traveling on a rural road, and a mail carrier delivering mail have different travel expenses per mile. The experience of different types of employees traveling under different conditions has led the departments to set different maximum amounts.

Mr. MILLER. I have received some complaints over the years, particularly this year, about the lack of uniform treatment with respect to mileage allowances as among departments, and not with respect to unique types of driving.

For example, in driving from one city in Iowa to another, over the same route, in the same type of automobile, it is my understanding that different departments have paid different mileage allowances. To me, this is not fair. It generates bad feeling among employees to think that they are being treated differ-

ently, when they are all working for the Federal Government.

I recognize that in the case of rural mail routes a different mileage allowance might be indicated, just as someone from the Department of Agriculture who travels over the same roads might have similar differences as compared with some of his fellow employees who travel under other conditions.

It seems to me that some kind of uniformity ought to exist among the departments with respect to the same type of driving in the same localities.

I feel certain the Senator from Texas is familiar with the problem; he knows it exists. May I have assurance from the Senator that his subcommittee will examine into the problem at an early date, to determine whether some improvement might be made in an attempt to solve the problem?

Mr. YARBOROUGH. I assure the Senator from Iowa that the committee certainly will do that. The Senate is now considering the House bill, but it is virtually identical with the Senate bill which has been introduced, and on which hearings were held in May. It has been pending for some time. Some of the Government reports are dated in March. Work on the bill has been progressing over several months.

The Senator from Iowa has made a major suggestion. It involves more of a major change in policy than anything provided in the bill under consideration. I feel we should not undertake such a change without holding hearings, and our committee will hold prompt hearings.

Some of the difficulty may be solved administratively, because section 4 of the Travel Expense Act of 1949 provides:

Civilian officers or employees of departments and establishments or others rendering service to the Government shall, under regulations prescribed by the Director of the Bureau of the Budget, and whenever such mode of transportation is authorized or approved as more advantageous to the Government \* \* \* be paid—

And so forth. These regulations are under the jurisdiction of the Director of the Bureau of the Budget, but departments have been permitted to establish different maximums based upon their own experience; and different departments have had different experiences.

As the Senator knows, Government employees have employee organizations. There is a large number of them. The organizations present bills of this type to us. This proposal was not submitted to the committee, and hearings were not held. On a subject of this kind, the committee ought to hear from representatives of the department and the Bureau of the Budget, to determine what effect such a proposal would have on the Government.

Mr. MILLER. I am familiar with the fact that certain Government employees' organizations are concerned about these questions; but the Senator from Texas knows, as well as I do, that when their legislative agendas are drawn up, the organizations are more concerned about putting first things first. There are more important things which take precedence over something like uniformity as among

departments with respect to mileage payments.

So the fact that the organizations did not necessarily come before the committee and ask for uniform treatment does not mean that they do not wish it.

The Senator has said that his subcommittee will consider this subject and hold hearings on it. If it can be handled administratively, through the Bureau of the Budget, that will be fine. If amendatory language is required, then I hope the Senator and his committee will give serious consideration to it. This is a problem which should be solved. It was my hope that it could be solved by an amendment to the bill we are now considering. However, I understand the problems involved and the desirability of having hearings on the question. With the understanding that hearings will be held at an early date on this subject, I withhold my objection.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 3279) was read the third time and passed.

Mr. YARBOROUGH. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

#### INDEPENDENT OFFICES APPROPRIATIONS, 1962

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 593, H.R. 7445.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 7445) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1962, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

#### AMENDMENTS TO LABOR, AND HEALTH, EDUCATION, AND WELFARE APPROPRIATION AND INDEPENDENT OFFICES APPROPRIATION BILLS

Mr. PROXIMIRE. Mr. President, I submit two amendments, one to the Labor and Health, Education, and Welfare appropriation bill, and one to the independent offices appropriation bill.

The PRESIDING OFFICER. The amendments will be received and printed, and will lie on the table.





# Digest of CONGRESSIONAL PROCEEDINGS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF  
BUDGET AND FINANCE  
(For information only;  
should not be quoted  
or cited)

## CONTENTS

Issued August 4, 1961  
For actions of August 3, 1961  
87th-1st, No. 132

Adjourned.....	16
Appropriations...	3,5,10,15
Assistant Secretaries..	12
Atomic energy.....	14
Budgeting.....	27
Buildings.....	25
Civil defense.....	3
Conflicts of interest...	15
Contracts.....	25
Cotton.....	21
Education.....	3,7,20
Electrification.....	19
Farm program.....	1,22
Fisheries.....	11
Foreign aid...6,9,15,17,22	

Foreign trade.....	21	Sugar.....	18
Lands.....	23	Tobacco.....	15
Legislative program..	15,22	Travel allowances.....	8
Livestock feed.....	2	Water compact.....	4
Peace Corps.....	6	Water resources.....	28
Per diem.....	8	Water rights.....	24
Research.....	7	Wetlands.....	26
Rural development.....	13	Wildlife.....	26

**HIGHLIGHTS:** Both Houses agreed to the conference report on farm bill. Senate concurred in House amendments on bill to provide CCC feed for livestock in disaster areas. House concurred in Senate amendments on bill to authorize increased per diem travel rates. Rep. May and others commended rural development program. Senate debated Defense Department appropriation bill. Senate subcommittee voted to report State-Justice appropriation bill.

## SENATE

1. **FARM PROGRAM.** Both Houses agreed to the conference report on S. 1643, the omnibus farm bill (pp. 13502-9, 13538-49). This bill will now be sent to the President. See Digest 131 for a summary of the bill as agreed to.
2. **LIVESTOCK FEED.** Concurred in the House amendments to S. 2197, to provide that feed owned or controlled by CCC shall be made available at any price not less than 75 percent of the current support price for such feed (or a comparable price if there is no current support price) for assistance in the preservation and maintenance of foundation herds of cattle, sheep, and goats in any area of the U. S. where, because of flood, drought, fire, hurricane, earthquake, storm, disease, insect infestation, or other catastrophe in such areas, the Secretary determines that an emergency exists which warrants such assistance, provided that such feed will be made available only to persons who do not have, and are unable to obtain through normal channels of trade without undue financial hardship, sufficient feed for the livestock. This bill will now be sent to the President. p. 13523

3. DEFENSE DEPARTMENT APPROPRIATION BILL, 1962. Began debate on this bill, H. R. 7851 (pp. 13463-4, 13470-90, 13493-502, 13509-13, 13516, 13521-3). As reported by the Appropriations Committee the bill included an item of \$207,600,000 for civil defense activities, including authorization for the Defense Department, with the approval of the Budget Bureau, to allocate or transfer funds to other Federal agencies to carry out such civil defense activities as may be assigned to them. Agreed to an amendment by Sen. Robertson to strike out language of the bill authorizing the allocation or transfer of civil defense funds to other Federal agencies (pp. 13509-13). Sen. Robertson explained that he had been informed by <sup>the</sup> Parliamentarian that the entire item for civil defense would be subject to a point of order if this language was not stricken from the bill. Pending at adjournment was a proposed amendment by Sen. Mundt to extend for a 3-year period Federal assistance to schools in federally impacted areas (pp. 13516, 13521-3).
4. WATER COMPACT. Passed without amendment S. 2245, to amend the act granting the consent of Congress to the negotiation of certain water compacts by Nebr., Wyo., and S. Dak., in order to extend the time for such negotiations. p. 13490
5. STATE-JUSTICE APPROPRIATION BILL, 1962. A subcommittee of the Appropriations Committee voted to report to the full committee with amendments this bill, H. R. 7371. p. D658
6. FOREIGN AID. Sen. Humphrey inserted a letter from Robert Sargent Shriver, Jr., Director of the Peace Corps, stating the reasons why he felt that the Peace Corps should be "separate and distinct from our foreign aid program." pp. 13523-4
7. RESEARCH; EDUCATION. Both Houses received from the State Department a proposed bill "to implement the Agreement on the Importation of Educational, Scientific, and Cultural Materials, opened for signature at Lake Success on November 22, 1950"; to S. Finance and H. Ways and Means Committees. pp. 13458, 13602

HOUSE

8. TRAVEL ALLOWANCES. Agreed to the Senate amendments on H. R. 3279, to authorize an increase in the rates of per diem allowance for employees of the Government traveling on official business. This bill will now be sent to the President (pp. 13528-9). See Digest 121 for a summary of the bill as agreed to.
9. FOREIGN AID. The Foreign Affairs Committee was granted until midnight Sat., Aug. 5, to file a report on H. R. 8400, the foreign aid authorization bill. p. 13563  
Rep. Haley criticized H. R. 8400 saying, "I will be forced to oppose the new foreign aid authorization bill on the grounds that it is unconstitutional and that, even if it were a legal exercise of our powers under the Constitution, it is unwise and unsound, wasteful and destructive of this country's very economy." pp. 13593-5
10. APPROPRIATIONS. The conferees were granted until midnight Fri., Aug. 4, to file a conference report on H. R. 7445, the independent offices appropriation bill for 1962. p. 13528  
Both Houses agreed to the conference report, and acted on amendments in disagreement, on H. R. 7208, the legislative branch appropriation bill for 1962. This bill will now be sent to the President. pp. 13490-2, 13529-30

of Defense possibly has a greater stake in basic research than any other Department.

I think the security of our country may well be dependent upon this. I voted yesterday for \$549 million for NASA, an appropriation, to help get it through in a hurry, where many people said, "Let's cut it back; let's cut off \$200 million." I am not for that kind of business.

I think that this may be a turning point in the scientific and technological history of civilization. We are exploring now far out here in the areas that we ordinary people know little or nothing about.

It is an area of mystery for us. I could not help but think—you know, we use the simple example of Christopher Columbus. He went shopping around looking for somebody to help him, and he finally got that King and Queen of Spain on his side, primarily the Queen, and they sent these ships off here. For a while Spain was a world power, and I think Spain was a world power simply because Spain financed one of the first great exploration projects.

There has been a good deal of basic research done on this, too, about the nature of the world, its surface, and that projected Spain as a world power. She did not last long. It was not because of any failure of Columbus, but back home. But I could not help but think yesterday, although I did not say this yesterday because we were trying to get the money and I wanted it in a hurry, but today we are visiting; I could not help but think how important it was for us to take this chance and maybe it will all be wasted, I do not know. But I am convinced that if you do not do it, we will not be around to waste anything.

So I am on the side of taking an extra chance on these things.

#### TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

#### REPORTS OF COMMITTEE ON ARMED SERVICES

The following reports of a committee were submitted:

By Mr. ERVIN, from the Committee on Armed Services, without amendment:

S. 2079. A bill to retrocede to North Carolina jurisdiction over the southern, east-bound lanes of North Carolina Highway 24, and the eastern, northbound lanes of U.S. Highway 17, as these highways traverse and parallel Camp Lejeune, N.C. (Rept. No. 656).

By Mr. CANNON, from the Committee on Armed Services, without amendment:

H.R. 181. An act to amend sections 3253 and 8253 of title 10, United States Code (Rept. No. 657).

By Mr. THURMOND, from the Committee on Armed Services, without amendment:

H.R. 4321. An act to amend section 303 of the Career Compensation Act of 1949 to authorize the transportation of dependents and baggage and household effects of certain retired members (Rept. No. 658).

By Mr. BUSH, from the Committee on Armed Services, without amendment:

H.R. 7657. An act to amend chapter 47 (Uniform Code of Military Justice) of title 10, United States Code, to provide a specific statutory authority for prosecution of bad check offenses (Rept. No. 659).

By Mr. BARTLETT, from the Committee on Armed Services, without amendment:

H.R. 7722. An act to amend section 3579, title 10, United States Code, to provide that commissioned officers of the Medical Service Corps may exercise command outside the

Army Medical Service when directed by proper authority (Rept. No. 660).

By Mrs. SMITH of Maine, from the Committee on Armed Services, without amendment:

S. 1240. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Girl Scouts of the United States of America for use at the 1962 Girl Scouts senior roundup encampment, and for other purposes (Rept. No. 661); and

H.R. 4323. An act to amend the Career Compensation Act of 1949 with respect to special pay for diving duty, and for other purposes (Rept. No. 662).

#### RESOLUTION

#### INCREASED EXPENDITURES FOR COMMITTEE ON ARMED SERVICES—REPORT OF A COMMITTEE

Mr. RUSSELL, from the Committee on Armed Services, reported an original resolution (S. Res. 189) increasing the limit of expenditures for hearings before the Committee on Armed Services, which was referred to the Committee on Rules and Administration, as follows:

*Resolved*, That the Committee on Armed Services hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-seventh Congress, \$10,000 in addition to the amount, and for the same purposes specified in section 134(a) of the Legislative Reorganization Act, approved August 2, 1946.

#### U.S. DISARMAMENT AGENCY FOR WORLD PEACE AND SECURITY—CHANGE OF REFERENCE

Mr. FULBRIGHT. Madam President, some time ago, S. 2180, to establish a U.S. Disarmament Agency for World Peace and Security, was referred to the Committee on Government Operations. It is one of those bills that could have been referred to either the Committee on Foreign Relations or the Committee on Government Operations. I have discussed this matter with the Chairman of the Committee on Government Operations, the distinguished senior Senator from Arkansas [Mr. McCLELLAN]. He has no objection to having the bill referred to the Committee on Foreign Relations, and I ask unanimous consent that such action be taken.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

#### ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, August 3, 1961, he presented to the President of the United States the enrolled bill (S. 857) to provide for the establishment of Cape Cod National Seashore.

#### ADDITIONAL APPENDIX MATTERS

By Mr. MUNDT: Speech entitled "In Today Already Walks Tomorrow," given by Dr. Louise Surra Fernandez, director of home economics teaching curriculum, New York University, at the Standard Brands "Three R's" breakfast, Cleveland, Ohio, June 28, 1961.

By Mr. BRIDGES: Citation presented by the Vice President

of the United States to the retiring chief and other members of the U.S. Secret Service.

Article entitled "West Germany Beehive of Action," written by Constantine Brown and published in the Washington Evening Star of August 1, 1961.

Article entitled "Everything Free but Life in Soviet," written by David Lawrence and published in the Washington Evening Star of August 1, 1961.

#### ADJOURNMENT TO 10 A.M. TOMORROW

Mr. HUMPHREY. Madam President, if there is no further business to be transacted, I move that the Senate adjourn under the order previously entered, until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 6 o'clock and 51 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Friday, August 4, 1961, at 10 o'clock a.m.

#### NOMINATIONS

Executive nominations received by the Senate August 3, 1961:

##### COAST AND GEODETIC SURVEY

I nominate Capt. James C. Tison, Jr., to be Deputy Director of the Coast and Geodetic Survey with the rank of rear admiral for a term of 4 years, pursuant to law, vice Rear Adm. Charles Pierce, retiring.

##### INTERNATIONAL MONETARY FUND

Frank A. Southard, Jr., of New York, to be U.S. Executive Director of the International Monetary Fund for a term of 2 years. (Re-appointment)

##### U.S. ATTORNEY

Brockman Adams, of Washington, to be U.S. attorney for the western district of Washington for the term of 4 years, vice Charles P. Moriarty.

##### THE JUDICIARY

Guthrie F. Crowe of the Canal Zone to be U.S. district judge for the district of the Canal Zone for a term of 8 years. He is now serving in this office under an appointment which expired July 2, 1960.

J. Culien Ganey, of Pennsylvania, to be U.S. circuit judge for the third circuit, vice a new position.

##### U.S. MARSHAL

George A. Bukovatz, of Montana, to be U.S. marshal for the district of Montana for the term of 4 years, vice Louis O. Aleksich.

#### CONFIRMATIONS

Executive nominations confirmed by the Senate, August 3, 1961:

##### TREASURY DEPARTMENT

Crane C. Hauser, of Illinois, to be an Assistant General Counsel in the Department of the Treasury (Chief Counsel for the Internal Revenue Service).

##### BUREAU OF CUSTOMS

George K. Brokaw, of California, to be collector of customs for customs collection district No. 28, with headquarters at San Francisco, Calif.

Anton Sestric, Jr., of Missouri, to be collector of customs for customs collection district No. 45, with headquarters at St. Louis, Mo.

Joseph P. Rostenkowski, of Illinois, to be collector of customs for customs collection district No. 39, with headquarters at Chicago, Ill.

# House of Representatives

THURSDAY, AUGUST 3, 1961

The House met at 12 o'clock noon.  
The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Joel 2: 32: *And it shall come to pass, that whosoever shall call on the name of the Lord shall be delivered.*

Almighty God, as we again enter upon a day of serious business, may our minds and hearts be delivered from a sense of the futility of our adventures and efforts to establish the kingdom of peace and good will among men.

We humbly acknowledge that we are so frequently tempted to take counsel with our anxieties and fears and allow them to fetter and shackle us and undermine our faith in Thy divine sovereignty and our loyalty to the noble traditions of our God-fearing forefathers who purchased, with blood and sacrifice, the blessings of the freedom which we now enjoy.

Inspire and help us to hasten that blessed day of prediction when all the sinister forces of evil, that enslave and enthrall humanity, shall be conquered and destroyed and the spirit of man, which our Lord came to set free, shall be too strong for chains and too large for imprisonment.

Hear us, in the name of the Captain of our salvation. Amen.

## THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested a bill of the House of the following title:

H.R. 7035. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1962, and for other purposes.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HILL, Mr. RUSSELL, Mr. MAGNUSON, Mr. STENNIS, Mr. PASTORE, Mr. MORNONEY, Mr. KUCHEL, Mrs. SMITH of Maine, and Mr. ALLOTT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 77. An act to establish the Chesapeake and Ohio Canal National Historical Park in the State of Maryland, and for other purposes;

S. 981. An act to extend certain authority to the Secretary of the Interior exercised through the Geological Survey of the Department of the Interior, to areas outside the national domain; and

S. 1899. An act to increase the fees of jury commissioners in the U.S. district courts.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 857) entitled "An act to provide for the establishment of Cape Cod National Seashore."

## INDEPENDENT OFFICES APPROPRIATION BILL, 1962

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that the managers on the part of the House at the conference of the two Houses on the bill H.R. 7445 may have until midnight Friday, August 4, to file a conference report thereon, and that said report may be printed in the CONGRESSIONAL RECORD notwithstanding the fact that the House may not be in session.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

## TOUGHER POLICIES AND LAWS NEEDED IN CUBAN AIRCRAFT HIJACKING

(Mr. EDMONDSON asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. EDMONDSON. Mr. Speaker, the people of the United States have good reason to be outraged today by another flagrant violation of both American rights and law, in which Cuban bandits apparently are involved. I refer to the hijacking of the Continental Air Lines jet airliner, and the forceful kidnaping and detention of both passengers and crew by the armed hijackers.

There seems to be some question among lawyers about the applicability of Federal kidnaping laws in cases of this kind, although I have seen no briefs on the legal question.

The act of actual seizure of passenger aircraft, endangering the lives of people abroad, is a vicious and heinous crime calling for extreme penalties of law, and there should be no question of any kind about the availability of such penalties.

Since a number of bills already have been introduced on this question, and since hearings on the matter are likely next week, my only purpose at this time is to urge that Congress proceed

as quickly as possible to clarify laws on this important subject—and to make it clear also that the law carries with it the death penalty in aggravated cases.

Added toughness in the law should be accompanied without delay by added toughness on the part of both the administration and law enforcement officers in countering and dealing with the criminals responsible.

It should also be clear that the time has come to adopt a much harder and tougher policy toward the Kremlin-dominated gang in Cuba which has been inspiring, if not actually masterminding, the acts of air piracy in our country.

The people are not only ready for a tougher policy all along the line; the people are rightfully demanding it.

## TRAVEL PER DIEM ALLOWANCE FOR GOVERNMENT EMPLOYEES

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 3279) to increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, after line 6, insert:

"SEC. 5. Paragraph (3) of section 553 of title 28, United States Code, is amended by striking out '10 cents' and inserting in lieu thereof '12 cents' and by inserting immediately after the words 'the actual cost of' the words 'parking fees.'"

Page 2, after line 6, insert:

"SEC. 6. The Director of the Administrative Office of the United States Courts shall promulgate, in accordance with section 604(a) (7) and section 456 of title 28 of the United States Code, such regulations as he may deem necessary to effectuate the increases provided by this Act."

Page 2, after line 6, insert:

"SEC. 7. The seventh paragraph under the heading 'Administrative Provisions' in the Senate section of the Legislative Branch Appropriation Act, 1957 (2 U.S.C. 68b), is amended by striking out '\$12' and inserting in lieu thereof '\$16', and by striking out '\$25' and inserting in lieu thereof '\$30'."

Page 2, line 7, strike out "5" and insert "8".

Page 4, line 8, strike out "6" and insert "9".

Page 4, line 9, strike out "2870" and insert "2870".

Page 4, line 13, strike out "7" and insert "10".

Page 5, line 1, strike out "8" and insert "11".

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

#### LEGISLATIVE APPROPRIATION BILL, 1962

**Mr. STEED.** Mr. Speaker, I call up the conference report on the bill (H.R. 7208) making appropriations for the legislative branch for the fiscal year ending June 30, 1962, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

**The SPEAKER.** Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House of August 2, 1961.)

**Mr. GROSS.** Mr. Speaker, will the gentleman yield?

**Mr. STEED.** I yield to the gentleman from Iowa.

**Mr. GROSS.** Mr. Speaker, I have two questions to ask the gentleman. Is my understanding correct that item No. 42 providing certain travel allowances for Members of the other body was stricken in conference?

**Mr. STEED.** That is correct; the present law remains as it is.

**Mr. GROSS.** This is my other question: Am I correctly informed that the \$30,000 for painting of the cement ceiling of the legislative garage represents the lowest bid that could be obtained for that work?

**Mr. STEED.** I will say to the gentleman that it is our understanding from the Architect that this is an estimate of what the painting will cost. They will submit it to competitive bid as soon as this bill is adopted, and they hope, perhaps, to save a little.

**Mr. GROSS.** I should think they would be able to save more than a little. The gentleman says it has not been submitted to competitive bid; is that correct?

**Mr. STEED.** Not at this time. There has been no money provided for it.

**Mr. HOFFMAN of Michigan.** Mr. Speaker, will the gentleman yield?

**Mr. STEED.** I yield.

**Mr. HOFFMAN of Michigan.** It is my understanding that when this bill was originally before the House it contained language which made it possible retroactively to pay bills incurred by certain Members and employees back to July 12, 1960. Is that right?

**Mr. STEED.** I assume the gentleman has reference to amendment No. 42. It was not in the bill when it was before the House. It was inserted by the Senate and removed in conference.

**Mr. HOFFMAN of Michigan.** I thought I saw it in H.R. 7208 somewhere.

**Mr. STEED.** Yes, but as amended by the Senate.

**Mr. HOFFMAN of Michigan.** Yes, as amended.

**Mr. STEED.** The matter was not included in the version of the bill as the House passed it. It came into the bill by action of the Senate.

**Mr. HOFFMAN of Michigan.** That would allow the payment of expenses of certain Members and employees which had been incurred back as far as July 12, 1960, but which the House has said should not be paid.

**Mr. STEED.** Under the language as adopted a year ago, travel under committee orders was prohibited under certain circumstances.

**Mr. HOFFMAN of Michigan.** The payment was prohibited by an act of law?

**Mr. STEED.** Last year, yes. The Senate amendment would have removed that prohibition.

**Mr. HOFFMAN of Michigan.** The conferees took it out. Is it correct to say that was taken out because some of the reporters gave publicity to it, and protests were made later? Is not that right?

**Mr. STEED.** I think the gentleman and I have a very complete understanding on this whole matter. I would not presume to read what was in the minds of the Members of the other body when they agreed to remove it.

**Mr. HOFFMAN of Michigan.** I am not talking about the Members of the other body or the other body. I am asking if the gentleman does not agree with me that it was publicity that caused that provision to be taken out.

**Mr. STEED.** I would suspect that it could have a bearing on it.

**Mr. HOFFMAN of Washington.** It is my humble opinion that we enact legislation but, after all, the greatest influence in determining what we do or do not do is this publicity. That is to say, I would not say the gentleman, but perhaps I do some things that I would not do if I were quite sure my folks at home were going to know about it.

**Mr. STEED.** This is a housekeeping bill, and we want the public to scrutinize the items. There is nothing in the bill which should bring criticism upon any of us.

**Mr. HOFFMAN of Michigan.** Perhaps I have been aided in that action by the investigation of a subcommittee engaged in protecting the rights of the people to know, a subcommittee headed by the gentleman from California [Mr. Moss]. For the last 5 years he has been endeavoring to get information out of the executive branch. Here is an example of the fact that if it is applied to the legislative branch we get action sometimes.

**Mr. STEED.** Mr. Speaker, of the 52 Senate amendments to this bill, the House on Monday last agreed to 43 of them which dealt solely with Senate expenses. We took nine amendments to conference and reached a settlement on all of them, although two are reported in technical disagreement.

As indicated earlier, in amendment No. 42, the Senate had proposed to liberalize present restrictive law on reimbursable travel expenses for Senators between Washington and their home States. In conference, they receded. Present law on the matter will therefore remain applicable.

Amendment 44 as agreed to makes the usual provision, for 1 more year, for expenses of the Joint Committee on Reduction of Nonessential Federal Expenditures.

In amendments Nos. 45 through 48, the Senate adjusted the salaries of the three top positions in the Architect's organization and we have concurred. I might add that in the opinion of some, the rates specified in the amendments are not as high as they should be, but we could not, under the rules, agree to more than the highest rates submitted to the conference. In this connection, I would point out that last year the House, in the second supplemental bill, approved rates of \$22,000, \$20,200, and \$18,500, respectively, for the three positions but these were dropped in conference on insistence of the Senate that they be deferred for consideration in the regular 1962 bill, as has now been done. Perhaps the matter can be again considered at some future date.

I have mentioned before that at the insistence of the Senate, we agreed to the \$30,000 in amendment 50 to repaint the ceiling of the legislative garage. It has not been painted since 1932. We have consistently denied the item, feeling it not essential, but the Senate insists it ought to be done.

Amendment No. 51, to which we have agreed, provides \$25,000 to bring up to date the Annotated Constitution. The House had disallowed the budget request of \$34,200, it appearing that there was no urgency to do the work this year. The Library restudied the matter and found that by some slight administrative adjustments they could get by with \$25,000. The publication is useful. There have been five previous editions. The Government Printing Office sells a substantial quantity.

We have gone along with the foreign currency proposition in amendment No. 52. It involves \$400,000, but all but \$36,500 of that is to buy from the Treasury foreign currencies now owned by the Treasury. The budget before us when the bill was in the House was for \$721,000, including \$67,200 of hard dollar expenditures and \$653,800 to buy foreign currencies from the Treasury. We turned it down, primarily because we felt some reasonable arrangement should be worked out whereby the libraries which are to be the recipients of the foreign materials to be acquired in the United Arab Republic, India, and Pakistan would bear more of the costs involved.

The Senate explored that matter and also asked the Library to scale the entire proposition down to the bare feasible minimum. We have accepted the Sen-

ate position, but as pointed out in the statement of the managers, we feel that increased contributions should be made by the recipient libraries. In our report we said:

The conferees expect that at least the contribution of \$5,000 offered by the recipient libraries through the Association of Research Libraries will be made available to the Library of Congress to help defray the expenses of this pilot project during fiscal

year 1962 and also expect the Librarian to take immediate steps to obtain a more substantial contribution in this and future years.

Mr. Speaker, the final conference report is under the total budget estimates by \$650,737. I include a comparative financial summary of the bill at various stages of consideration for the RECORD at this point:

*Summary of legislative branch appropriation bill, 1962 (H.R. 7208)*

Group	Budget estimates (revised)	Passed House	Passed Senate	Conference action	Conferenee action compared with—		
					Budget estimates	House	Senate
Senate.....	\$28,355,225	(1)	\$28,421,840	\$28,421,840	+\$66,615	+\$28,421,840	-----
House of Representatives.....	48,226,635	\$47,856,835	47,856,835	47,856,835	-369,800	-----	-----
Joint offices and items.....	4,063,842	4,063,300	4,090,000	4,090,000	+26,248	+26,790	-----
Architect of the Capitol.....	19,187,000	17,051,600	19,256,600	19,256,600	+69,600	+2,205,100	-----
Botanic Garden.....	489,000	489,000	489,000	489,000	-----	-----	-----
Library of Congress.....	17,637,100	16,768,700	17,193,700	17,193,700	-443,400	+425,000	-----
Government Printing Office.....	18,124,000	18,124,000	18,124,000	18,124,000	-----	-----	-----
Grand total.....	136,082,802	104,353,335	135,432,065	135,432,065	-650,737	+31,078,730	-----

<sup>1</sup> By custom, House omits all items under the "Senate" heading and those items under the Architect of the Capitol pertaining solely to the Senate.

Mr. DOMINICK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute out of order, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. DOMINICK. Mr. Speaker, yesterday I reported to you that I had introduced a bill to amend the Federal Aviation Act in order to provide criminal penalties for interference with flight crews on commercial aircraft, for carrying concealed weapons, and for piracy or attempted piracy. Although it seemed to me that this was a timely bill because of the recent action of the Cubans in commandeering an Eastern Airlines plane and forcing it to land in Havana, I did not realize how particularly pertinent it was until the news came out concerning the Continental Airlines plane hijacked this morning by Cubans.

Continental Air Lines is headquartered in Denver. I know the people who operate this very fine line, and I know many of the people who are on the flight crews. I thought I should advise you of the most recent information that I have, the State police have disabled this jet aircraft by rifle fire which blew out the tires and damaged an engine and caused a fuel leak which prevented the Cubans from taking off in the jet out of the El Paso International Airport to go to Havana. This has, apparently, prevented the airplane from taking off, but the status of the hostages in the airplane and the Cuban pirates themselves has not yet been settled. It seems plain to me, action on legislation to provide penalties for crimes of this kind is not only urgently needed, and I am sure this is shared by the very able subcommittee chairman, but that on a broader scale the United States must take action which will prevent further deeds of this kind. In my opinion, these acts can be directly traced to the Cuban fiasco and the complete loss of respect for this

country occasioned by our failure to follow through to protect American lives and interests in Cuba. As long as we remain weak-kneed in our foreign policy approach to Cuba and as long as we permit acts of piracy to continue without holding the existing government in Cuba directly responsible, we will continue to suffer indignities, to endanger American lives and to degrade American principles.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. DOMINICK. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I have a copy of the gentleman's bill before me. I certainly want to commend him for his effort to toughen up the law. However, does not the gentleman feel that a really tough approach to this problem would be to include the death penalty in his bill which, I understand, the bill does not provide at the present time?

Mr. DOMINICK. I am very flexible as to the penalty provisions of the bill, I can assure the gentleman from Oklahoma.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 44. Page 20, line 10, insert:

"JOINT COMMITTEE ON REDUCTION OF NON-ESSENTIAL FEDERAL EXPENDITURES

"For an amount to enable the Joint Committee on Reduction of Nonessential Federal Expenditures to carry out the duties imposed upon it by section 601 of the Revenue Act of 1941 (55 Stat. 726), to remain available during the existence of the committee, \$26,790, to be disbursed by the Secretary of the Senate."

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate No. 44 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 52. Page 30, line 7, insert:

"COLLECTION AND DISTRIBUTION OF LIBRARY MATERIALS

"(Special foreign currency program)

"For necessary expenses for carrying out the provisions of section 104(n) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(n)), \$400,000 of which \$363,500 shall remain available until expended for the purchase of foreign currencies which accrue under that Act and which the Treasury Department shall determine to be excess to the normal requirements of the United States."

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate No. 52 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"COLLECTION AND DISTRIBUTION OF LIBRARY MATERIALS

"(Special foreign currency program)

"For necessary expenses for carrying out the provisions of section 104(n) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(n)), \$400,000 of which \$363,500 shall be available for the purchase of foreign currencies which accrue under that Act and which the Treasury Department shall determine to be excess to the normal requirements of the United States."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

(Mr. STEED asked and was given permission to extend his remarks at this point in the RECORD.)

[Mr. STEED'S remarks will appear hereafter in the Appendix.]

**HEALTH, EDUCATION, AND WELFARE APPROPRIATIONS, 1962**

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7035) making appropriations for the Departments of Labor and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1962, with Senate amendments thereto, disagree to the amendments of the Senate and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

Mr. LAIRD. Mr. Speaker, reserving the right to object, I do this to inform the House that this bill as it passed the Senate last night adds \$833 million to this appropriation bill as compared with the action of the House of Representatives.

Last night I addressed a letter to the President of the United States and also to the Secretary of Health, Education, and Welfare, in which I outlined the additions over and above President Kennedy's add-on budget request.





Public Law 87-139  
87th Congress, H. R. 3279  
August 14, 1961

An Act

To increase the maximum rates of per diem allowance for employees of the Government traveling on official business, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Travel Expense Act of 1949 (5 U.S.C. 836) is amended by striking out "\$12" and inserting in lieu thereof "\$16".*

SEC. 2. Section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b-2) is amended by striking out "\$15" and inserting in lieu thereof "\$16".

SEC. 3. Section 4 of the Travel Expense Act of 1949 (5 U.S.C. 837) is amended by striking out "6 cents" and inserting in lieu thereof "8 cents", and by striking out "10 cents" and inserting in lieu thereof "12 cents".

SEC. 4. The second sentence of section 4 of the Travel Expense Act of 1949 (5 U.S.C. 837) is amended by inserting immediately after "the actual cost of" the following: "parking fees,".

SEC. 5. Paragraph (3) of section 553 of title 28, United States Code, is amended by striking out "10 cents" and inserting in lieu thereof "12 cents" and by inserting immediately after the words "the actual cost of" the words "parking fees,".

SEC. 6. The Director of the Administrative Office of the United States Courts shall promulgate, in accordance with section 604(a)(7) and section 456 of title 28 of the United States Code, such regulations as he may deem necessary to effectuate the increases provided by this Act.

SEC. 7. The seventh paragraph under the heading "Administrative Provisions" in the Senate section of the Legislative Branch Appropriation Act, 1957 (2 U.S.C. 68b), is amended by striking out "\$12" and inserting in lieu thereof "\$16", and by striking out "\$25" and inserting in lieu thereof "\$30".

SEC. 8. (a) Section 3 of the Travel Expense Act of 1949, as amended (5 U.S.C. 836), is amended—

(1) by striking out the words "by the Director of the Bureau of the Budget" which appear before the first proviso and inserting in lieu thereof "by the President or his delegate (who may be the Director of the Bureau of the Budget or any other officer of the Government)" and

(2) by striking out the last proviso and inserting in lieu thereof the following proviso: "*And provided further, That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7, prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of \$30, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits.*"

(b) Section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2), is amended—

(1) by striking out the words "by the Director of the Bureau of the Budget" which appear before the proviso; and

Federal employees.  
Per diem allowance, increase.  
63 Stat. 166;  
69 Stat. 393.  
60 Stat. 808;  
69 Stat. 394.  
75 STAT. 339.  
75 STAT. 340.

63 Stat. 100;  
69 Stat. 492.

Promulgation of regulations.  
70 Stat. 1026;  
67 Stat. 488.

70 Stat. 360.

(2) by striking out the last proviso and inserting in lieu thereof the following proviso: "*Provided*, That where due to the unusual circumstances of a travel assignment the maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7 of the Travel Expense Act of 1949, as amended (5 U.S.C. 840), prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed, for each day in travel status, (1) the amount of \$30, within the limits of the continental United States, or (2) the sum of the maximum per diem allowance plus \$10, for travel outside such limits".

(c) Section 48 of the Alaska Omnibus Act (73 Stat. 141; 48 U.S.C. note prec. sec. 23) shall not apply with respect to the amendments made by this section.

SEC. 9. The last proviso of section 3 of the Act of July 30, 1946 (22 U.S.C. 287o), is amended to read as follows: "*Provided, however*, That he may be paid transportation and other expenses as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2)".

SEC. 10. Section 5 of the Act of July 30, 1946, as amended (22 U.S.C. 287q), is amended by striking out "Under such regulations as the Secretary of State may prescribe, the actual transportation expenses of experts attending such conferences shall be borne by the Department of State, and they shall be allowed a per diem of \$10 in lieu of subsistence and other expenses, for the period of actual attendance and of necessary travel." and inserting in lieu thereof the following: "The Department of State may pay their transportation and other expenses as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2), for the period of actual attendance and of necessary travel."

SEC. 11. Paragraph (6) of section 801 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1471(6)) is amended by striking out "but he may be paid his actual transportation expenses, and not to exceed \$10 per diem in lieu of subsistence and other expenses, while away from his home in attendance upon meetings within the United States or in consultation with the Department under instructions." and inserting in lieu thereof the following: "but he may be paid his transportation and other expenses, as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 73b-2)".

Approved August 14, 1961.

63 Stat. 167.

75 STAT. 340.

75 STAT. 341.

60 Stat. 713.

60 Stat. 713.

62 Stat. 11.



